

**Corporate Office :**

3rd Floor, IRB Complex, Chandivali Farm, Chandivali Village, Andheri (E), Mumbai - 400 072.

Tel: 91 - 22 - 6640 4220 / 4880 4200 • Fax: 91 - 22 - 2857 3441

e-mail: info@irb.co.in • www.irb.co.in

CIN : L65910MH1998PLC115967



September 4, 2023

Corporate Relationship Department, BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400 001	Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
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**Ref: Scrip Code 532947; Symbol: IRB**

**Subject: Notice of 25<sup>th</sup> Annual General Meeting and Annual Report for financial year ended March 31, 2023, of IRB Infrastructure Developers Limited**

Dear Sir/Madam,

Pursuant to our disclosure dated August 30, 2023, the 25<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Wednesday, September 27, 2023, at 12:00 noon (IST) through Video Conferencing. Accordingly, please find enclosed copy of the Annual Report and Notice of Annual General Meeting for financial year ended March 31, 2023 which is being sent to the members via email on their registered email address in compliance with the applicable Ministry of Corporate Affairs (MCA) circulars and Securities and Exchange Board of India (SEBI) circulars.

The same shall be available on the website of the Company at [www.irb.co.in](http://www.irb.co.in)

We request you to take the above on record.

Thanking you,

Yours faithfully,

**For IRB Infrastructure Developers Limited**

**Mehul Patel**

**Company Secretary & Compliance Officer**

Encl.: As above

## NOTICE

**Notice** is hereby given that the Twenty Fifth (25<sup>th</sup>) Annual General Meeting (“the AGM / 25<sup>th</sup> AGM”) of the Members of IRB Infrastructure Developers Limited (“the Company”) will be held on Wednesday, September 27, 2023, at 12:00 noon (IST) through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements for the year ended March 31, 2023 together with the Reports of the Board of Directors and the Auditors thereon and the Audited Consolidated Financial Statements and the Report of the Auditors thereon for the year ended March 31, 2023.
2. To appoint a Director in place of Mr. Ravindra Dhariwal (DIN: 00003922), Non-Executive Director who retires by rotation and, being eligible, seeks re- appointment.

### SPECIAL BUSINESS

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

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to Mrs. Netra Shashikant Apte, Practicing Cost Accountant having Firm Registration No. 102229 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2023-24, amounting to Rs. 3,00,000/- (Rupees Three Lakh only) p.a. be and is hereby ratified and confirmed.”

**RESOLVED FURTHER THAT** the Board of Directors or Key Managerial Personnel of the Company be and are hereby authorised to do all acts, deed and things, proper or desirable to give effect to this Resolution.”

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

**“RESOLVED THAT** pursuant to the provisions of section 14 and all other applicable provisions of the Companies Act, 2013 read with applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members of the Company be and is hereby accorded for alteration of Articles of Association by addition of clause 112 (c) after the existing article 112 (b) as mentioned herein:

“112(c): Subject to the terms and conditions agreed between the Company and the debenture trustee(s), whenever the debenture trustee(s) nominate a person to be appointed as a director on the Board of the Company in exercise of its duties under the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 read with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 each as amended from time to time (together, the “SEBI Regulations”), and upon receipt of nomination from a debenture trustee for such appointment,



the Board shall appoint such person as a nominee Director nominated by the debenture trustee in accordance with the SEBI Regulations and any other applicable law.

The Director so appointed shall not be liable to retire by rotation and shall not be required to hold any qualification shares. The Director so appointed shall hold office so long as the default under the relevant provisions of the SEBI Regulations subsists and shall vacate such office immediately upon the default being cured by the Company. Any vacancy in the office of such Director during the term shall be filled in by the debenture trustee(s) by nominating another person.

The appointment, including the terms, conditions and duties, of such Director shall be subject to the provisions of the SEBI Regulations and other applicable law.”

**RESOLVED FURTHER THAT** for giving effect to above resolution, the Board of Directors of the Company (hereinafter referred to as ‘Board’, which term shall be deemed to include any duly authorized Committee thereof, which the Board may have constituted or hereinafter constitute from time to time by whatever name called to exercise its power conferred by this resolution) be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose including but not limited to execution of all necessary and required agreements, documents, instruments, writings and papers, and settle all difficulties, doubts and questions that may arise in regard to implementation of the aforesaid resolution, without being required to seek any further consent or approval of the members of the Company.”

**By Order of the Board of Directors  
For IRB Infrastructure Developers Limited**

**Sd/-  
Virendra D. Mhaikar  
Chairman & Managing Director**

Mumbai, August 30, 2023

**Registered office:**  
Office No – 11<sup>th</sup> Floor / 1101, Hiranandani Knowledge Park,  
Technology Street, Hill Side Avenue,  
Opp. Hiranandani Hospital, Powai,  
Mumbai 400 076  
CIN: L65910MH1998PLC115967  
Tel. 022 67336400 Fax: 022 4053 6699  
E-mail: grievances@irb.co.in

## EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

**Details of the Directors seeking re-appointment / appointment / change in remuneration as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2.**

<b>Particulars</b>	<b>Mr. Ravindra Dhariwal</b>
Date of Birth and Age	September 11, 1952; 70 years
Date of first appointment on the board	August 5, 2022
Qualification	An engineer from IIT Kanpur, and an MBA from IIM Calcutta. He was bestowed the Distinguished Alumni Award by IIM Calcutta in 2013 and also from IIT Kanpur in 2019.
Brief resume & nature of expertise in specific functional areas	<p>Mr. Ravindra Dhariwal is the co-founder and Chairman of Sagacito Technologies, a data analytics firm specialising in helping enterprises maximise their revenues. He is also Senior Advisor, Mentor and Board Member of several leading listed and private firms.</p> <p>Just prior to co – founding Sagacito, he was the Group CEO of Bennett &amp; Coleman, India’s largest media company, with diversified media platforms including Radio Mirchi, Times Television Network, Times Internet, Times OOH and the world’s largest selling English newspaper The Times of India. He was also the World-Wide President of International News Media Association from 2011-2013. He was honoured for his voluntary contribution to World News Media in 2014.</p> <p>Prior to joining Bennett &amp; Coleman, He worked with PepsiCo for 12 years. He was Pepsi’s first employee in India, launched Pepsi brands in India helping build a successful business. He also led the Beverage Business in India, Africa and South East Asia for PepsiCo.</p> <p>He started his career with Unilever in India in 1977, and worked for them in India and Australia for over 12 years mostly in Sales and Marketing management.</p> <p>In his career now spanning over 42 years he has built consumer businesses all over the world. He has worked in diverse and varied cultures, and, helped companies win customer loyalty and consumer regard.</p> <p>He is an Engineer from IIT Kanpur, and an MBA from IIM Calcutta. He was bestowed the Distinguished Alumni Award by IIM Calcutta in 2013 and also from IIT Kanpur in 2019.</p>
Disclosure of relationships between directors inter-se	None
Terms and conditions of appointment	As per the resolution set out in this Notice read with the Statement hereto.

Directorships held in other companies	<ol style="list-style-type: none"> <li>1. Bata India Limited</li> <li>2. Sheela Foam Limited</li> <li>3. Sagacito Technologies Private Limited</li> <li>4. TBO TEK Limited</li> <li>5. Raymond Consumer Care Limited</li> </ol>
Memberships / Chairmanships of committees	<ol style="list-style-type: none"> <li>1. Bata India Limited Stakeholders Relationship Committee – Chairman</li> <li>2. Sheela Foam Limited <ol style="list-style-type: none"> <li>a) Audit Committee – Member</li> <li>b) Nomination and Remuneration Committee – Chairman</li> </ol> </li> <li>3. TBO Tek Limited <ol style="list-style-type: none"> <li>a) Audit Committee – Member</li> <li>b) Nomination and Remuneration Committee – Member</li> </ol> </li> </ol>
Shareholding in the Company	None
Listed entities from which the Director has resigned in the past three years	None
Details of remuneration sought to be paid and the remuneration last drawn by such person	None
Number of Meetings of the Board attended during the year	Four (4)

### Item No.3

The Board of Directors of the Company has appointed Mrs. Netra Shashikant Apte, Practicing Cost Accountant, to conduct the audit of the cost records of the Company for the financial year 2023-24. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. The remuneration of Rs.3,00,000/- (Rupees Three lakh only) per annum is payable to Mrs. Netra Shashikant Apte, Practicing Cost Accountant for the audit to be conducted for financial year 2023-24. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the audit to be conducted for financial year 2023-24.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way concerned or interested, financial or otherwise, in the said Resolution.

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

### Item No.4

Securities and Exchange Board of India (SEBI) vide its notification dated February 2, 2023 amended SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 by inserting sub-regulation (6) in regulation 23 which mandates an issuer to ensure that its Articles of Association require its Board of Directors to appoint a person nominated by the Debenture Trustee ('DT') upon occurrence of any of the

following event of default as per regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993 ('DT Regulations') viz.,

- (i) Two consecutive defaults in payment of interest to the debenture holders; or
- (ii) Default in creation of security for debentures; or
- (iii) Default in redemption of debentures.

The Company is in compliance with the terms of the existing NCDs issued by the Company and there has never been any default in debt repayment. However, in terms of amended Regulation 23 of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, it is necessary to alter the Articles of Association to enable for appointment of a nominee director, in order to comply with the a.

Pursuant to the provisions of section 14 of the Companies Act, 2013, approval of members of the Company by way of a special resolution is required for any alteration in the Articles of Association of the Company. Accordingly, the Board of Directors has proposed to alter the Articles of Association of the Company as set out in the resolution at Item No. 4 of the Notice.

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

The Board of Directors recommends the Special Resolution set out at Item No. 4 of the Notice for approval by the Members.

By Order of the Board of Directors  
For **IRB Infrastructure Developers Limited**

**Sd/-**  
**Virendra D. Mhaiskar**  
**Chairman & Managing Director**

Mumbai, August 30, 2023

Registered office:  
Office No – 11<sup>th</sup> Floor / 1101, Hiranandani Knowledge Park,  
Technology Street, Hill Side Avenue,  
Opp. Hiranandani Hospital, Powai,  
Mumbai – 400 076  
CIN: L65910MH1998PLC115967  
Tel. 022 67336400 Fax: 022 4053 6699  
E-mail: grievances@irb.co.in

## NOTES

1. The Ministry of Corporate Affairs ('MCA'), vide its General Circular No. 20/2020 dated May 5, 2020 read with General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021 and 10/2022 dated December 28, 2022 ('MCA Circulars'), has allowed the Companies to conduct the Annual General Meeting (AGM) through Video Conferencing or Other Audio-Visual Means ('VC/OAVM') till September 30, 2023. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC.
2. The Company has enabled the Members to participate at the Annual General Meeting (AGM) through the VC facility provided by KFin Technologies Limited ("KFinTech"), Registrar and Share Transfer Agents. The instructions for participation by Members are given in the subsequent pages. Participation at the AGM through VC shall be allowed on a first-come-first-served basis for first 1,000 members. This will not include large Members (Members holding 2% or more equity shares), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first-come-first-served basis. The members can visit <https://emeetings.kfintech.com> and login through existing user id and password to attend the live proceedings of the AGM of the Company.
3. Members may note that pursuant to the provisions of MCA circular and SEBI Circular, the Company has enabled a process of sending Company's Annual report for the financial year 2022-23 and AGM Notice (including remote e-voting instructions) electronically. Accordingly, Annual Report for the financial year 2022-23 and AGM Notice are being sent to the members whose email addresses are registered with the Company or with the depository participant / depository. Members may note that the Annual Report for the financial year 2022-23 and AGM Notice will also be available on the Company's website at [www.irb.co.in](http://www.irb.co.in), websites of Stock Exchange(s) i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of KFinTech at <https://evoting.kfintech.com/>.
4. As per the Circulars mentioned above, the Members may also note that the Company would not be sending the Annual Report for the financial year 2022-23 and AGM notice by post to the members whose email address is not registered with the Company or depository participants/depository.
5. The Company is providing a facility to the members as on the cut-off date, being Wednesday, September 20, 2023 ("**the cut-off date**") to exercise their right to vote on the matters listed in the Notice by electronic voting systems (Remote e-voting). Additionally, the members can also exercise their right to vote by e-voting during the AGM. The process and manner of remote e-voting with necessary User ID and password is given below. Such remote e-voting facility is in addition to voting that will take place at the AGM being held through VC. Any person who acquires shares of the company and becomes a member of the company after the dispatch of the Notice, and holding shares as on the Cut-Off Date, may obtain the User ID and Password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com) or contact Kfintech at toll free number 1-800-309-4001. Voting by electronic mode is a convenient means of exercising voting rights and may help to increase the member's participation in the decision-making process.
6. The Members who have cast their vote prior to the meeting by remote e-voting may also attend the AGM but shall not be entitled to vote again. Once a vote is cast by a member, he / she shall not be

allowed to alter it subsequently. In case a Member casts his / her vote, both by Remote e-Voting and e-voting at the AGM mode, then the voting done by Remote e-Voting shall prevail and the e-voting at the AGM shall be invalid.

7. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
8. The members attending the meeting through VC shall be counted for the purpose of reckoning the quorum of the meeting under Section 103 of the Companies Act, 2013.
9. The Company has appointed “M/s. Miheh Halani & Associates”, Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
10. Institutional / Corporate Members intending to participate in the AGM through their authorised representatives are required to access the link <https://evoting.kfintech.com> and upload duly certified copy of their Board Resolution / Governing Body resolution / Authorization letter, etc. and may send a copy to the Scrutinizer through email at [mihehhalani@mha-cs.com](mailto:mihehhalani@mha-cs.com) authorizing their representatives to attend and vote through remote e-voting on their behalf at the said Meeting.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names in the Register of Members of the Company will be entitled to vote.
12. The Register of Directors and Key Managerial Personnel and their shareholding and the Register of Contracts or Arrangements in which the directors are interested maintained under the Companies Act, 2013, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. Wednesday, September 27, 2023. Members seeking to inspect such documents can send an email to [grievances@irb.co.in](mailto:grievances@irb.co.in).
13. As the AGM will be held through VC, the Route Map is not annexed in this Notice.
14. Members are requested to address all correspondence, including dividend matters, to the Registrar and Share Transfer Agents, KFin Technologies Limited (Unit: IRB Infrastructure Developers Limited), Selenium Tower-B, Plot No 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana or send email to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
15. Members who wish to claim dividends, which remain unclaimed, are requested to correspond with Registrar and Transfer Agent, KFin Technologies Ltd. (Unit: IRB Infrastructure Developers Limited), at the address mentioned above. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account, will, as per Section 125 of the Companies Act, 2013 and rules made thereunder, be transferred to the Investor Education and Protection Fund. As on March 31, 2023 amount outstanding in the Unpaid / Unclaimed Dividend Account(s) of the Company is Rs. 71,58,082/-.
16. Pursuant to the applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the



Company has transferred the unclaimed or un-encashed Interim dividends for financial years 2015-2016 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Further, as per said rules, the Company has transferred the shares on which dividend has not been encashed or claimed by the members for seven consecutive years or more to the demat account of the IEPF Authority. The Company has made available the complete details of the concerned members whose share(s) were transferred to IEPF on its website at [www.irb.co.in](http://www.irb.co.in).

As on March 31, 2023, 19 cases involving 17700 equity shares were lying in the Unclaimed Shares Demat Suspense Account pending receipt of confirmation from the Applicants.

17. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
18. Non-resident Indian members are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant(s), as the case may be:
  - (a) the change in the residential status on return to India for permanent settlement, and
  - (b) the particulars of the NRE account with a Bank in India, if not furnished earlier.
19. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to KFintech in case the shares are held by them in physical form.
20. In terms of SEBI circular dated March 16, 2023 and related circulars, Members holding shares in physical form are requested to register / update their PAN, e-mail address, bank details, nomination and other KYC details in the form and manner provided in the said circular by September 30, 2023, to avoid freezing of such folios by the RTA.
21. The Results declared along with Scrutinizer's Report(s) will be available on the website of the Company at [www.irb.co.in](http://www.irb.co.in) and on Service Provider's website at <https://evoting.kfintech.com> and the Results shall also be communicated to the Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited not later than 2 working days from the conclusion of the AGM.
22. Pursuant to the amendments introduced by the Finance Act, 2020 the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders w.e.f. April 1, 2020. No tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed 5,000/-.

The withholding tax rate would vary depending on the residential status of the shareholder and documents registered with the Company.

## PROCEDURE FOR E-VOTING

### I. Instructions for Members for Remote e-voting through electronic means:

- i. In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time (hereinafter called ‘the Rules’ for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility provided by Listed Entities, the Company is providing facility of remote e-voting facility to exercise votes on the items of business given in the AGM Notice through electronic voting system, to members holding shares as on Wednesday, September 20, 2023 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by KFintech or to vote at the AGM. Person who is not a member as on the cut-off date should treat this AGM Notice for information purposes only.
- ii. The e-voting period commences on Friday, September 22, 2023 (9:00 AM) and ends on Tuesday, September 26, 2023 (5:00 PM). During this period Members as on the cut-off date may cast their vote electronically in the manner and process set out herein below. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Further the members who have casted their vote through Remote e-Voting, then he/she shall not vote using e-voting at the AGM.
- iii. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts to access e-Voting facility.

The details of the process and manner for remote e-voting are given below:

MODE OF E-VOTING	THROUGH DEPOSITORIES		THROUGH DEPOSITORY PARTICIPANT(S)
	NSDL	CDSL	
Individual members holding securities in demat mode	<p><b>1. Members already registered for IDeAS facility may follow the below steps:</b></p> <ol style="list-style-type: none"> <li>i. Visit the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a></li> <li>ii. On the home page, click on the “Beneficial Owner” icon “Login” which is available under “IDeAS” section.</li> <li>iii. A new screen will open. Enter User ID and Password. Post successful</li> </ol>	<p><b>1. Members already registered for Easi/ Easiest may follow the below steps:</b></p> <ol style="list-style-type: none"> <li>a. Visit the following URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>b. Click on the “Login” icon and opt for “New System Myeasi” (only applicable when using the URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>)</li> <li>c. On the new screen, enter User ID and Password. Without any</li> </ol>	<ol style="list-style-type: none"> <li>1. Members can also log-in using the credentials of their demat account through their Depository Participant(s) registered with NSDL/CDSL for the e-voting facility.</li> <li>2. On clicking the e-voting icon, members will be</li> </ol>

MODE OF E-VOTING	THROUGH DEPOSITORIES		THROUGH DEPOSITORY PARTICIPANT(S)
	NSDL	CDSL	
	<p>authentication, you will be able to see e-voting services. Click on “<b>Access to e-Voting</b>” under e-voting services and you will be able to see e-voting page.</p> <p>iv. Click on Company name or e-voting service provider name i.e. KFinTech and you will be re-directed to <b>KFinTech</b> website for casting your vote.</p> <p><b>1. Members not registered for IDeAS facility may follow the below steps:</b></p> <p>i. To register for this facility, visit the URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a></p> <p>ii. On the home page, select “Register Online for IDeAS”</p> <p>iii. On completion of the registration formality, follow the steps provided above.</p> <p><b>2. Members may alternatively vote through the e-voting website of NSDL in the manner specified below:</b></p> <p>a. Visit the URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a></p> <p>b. Click on the “Login” icon available under the “Shareholder/Member” section.</p> <p>c. Enter User ID (i.e. 16-digit demat account number held with NSDL),</p>	<p>further authentication, the e-voting page will be made available.</p> <p>d. Click on Company name or e-voting service provider name i.e. KFinTech to cast your vote.</p> <p><b>2. Members who have not registered for Easi / Easiest may follow the below steps:</b></p> <p>a. To register for this facility, visit the URL: <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>b. On completion of the registration formality, follow the steps provided above.</p> <p><b>3. Members may alternatively vote through the e-voting website of CDSL in the manner specified below:</b></p> <p>a. Visit the URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></p> <p>b. On clicking the e-voting icon, Enter the demat account number and PAN</p> <p>c. Enter OTP received on mobile number and email registered with the demat account for authentication.</p> <p>d. Post successful authentication, the user will receive links for the respective e-voting service provider i.e. KFinTech where the e-voting is in progress.</p> <p>4. For any technical assistance, Members may contact CDSL helpdesk by writing to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or calling at 022-23058738 or 022- 23058542-43</p>	<p>re-directed to the NSDL/CDSL site, as applicable, on successful authentication.</p> <p>3. Members may then click on Company name or e-voting service provider name i.e. KFinTech and will be redirected to KFinTech website for casting their vote.</p>

MODE OF E-VOTING	THROUGH DEPOSITORIES		THROUGH DEPOSITORY PARTICIPANT(S)
	NSDL	CDSL	
	<p>Password/OTP, as applicable and the verification code shown on the screen.</p> <p>d. Post successful authentication, you will be redirected to the NSDL IDeAS site wherein you can see the e-voting page.</p> <p>e. Click on Company name or e-Voting service provider name i.e. KFinTech and you will be redirected to <b>KFinTech</b> website for casting your vote.</p> <p>4. For any technical assistance, Members may contact NSDL helpdesk by writing to <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or calling the toll free no.: 18001020990 or 1800224430.</p>		

Mode of E-Voting	Through KFINTECH
Non-individual members holding securities in demat mode and Members holding securities in physical mode	1. In case of members whose email IDs are registered with the Company / Depository Participants(s), please follow the below instructions:
	a. Visit the following URL: <a href="https://evoting.kfintech.com">https://evoting.kfintech.com</a>
	b. Enter the login credentials (i.e. User ID and password as communicated in the e-mail from KFinTech). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting your vote.
	c. After entering these details appropriately, click on “LOGIN”.
	d. You will now reach password change menu, wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc). It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
	e. You need to login again with the new credentials.
	f. On successful login, the system will prompt you to select the “EVENT” and click on “IRB Infrastructure Developers Limited”.

	<p>g. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click ‘FOR’/‘AGAINST’ as the case may be or partially in ‘FOR’ and partially in ‘AGAINST’, but the total number in ‘FOR’ and/or ‘AGAINST’ taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option ‘ABSTAIN’ and the shares held will not be counted under either head.</p>
	<p>h. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat account.</p>
	<p>i. Cast your votes by selecting an appropriate option and click on ‘SUBMIT’. A confirmation box will be displayed. Click ‘OK’ to confirm, else ‘CANCEL’ to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution</p>
	<p>j. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through email at <a href="mailto:mihenhalani@mha-cs.com">mihenhalani@mha-cs.com</a> and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format ‘BFL EVENT NO’.</p>
	<p>k. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the ‘download’ section of <a href="https://evoting.kfintech.com">https://evoting.kfintech.com</a> or call KFin on 1- 800-309-4001 (tollfree).</p>

## II. Instructions for Members for e-Voting during the e-AGM session:

- i. Only those members / shareholders, who will be present in the e-AGM and who have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote.
- ii. Members who have voted through remote e-voting will still be eligible to attend the e-AGM.
- iii. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
- iv. Voting at e-AGM will be available at the end of the e-AGM and shall be kept open for 15 minutes. Members viewing the e-AGM, shall click on the ‘e-voting’ sign placed on the left-hand bottom corner of the video screen. Members will be required to use the credentials, to login on the e-Meeting webpage, and click on the ‘Thumbs-up’ icon against the unit to vote.

## III. General instruction for e-voting are as under:

- A. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date.
- B. The Board of Directors has appointed M/s. Mihen Halani & Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- C. The Results shall be declared on or after the AGM of the Company and the resolution will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).

- D. The results declared shall be communicated to the Stock Exchanges and shall also be placed on the Company's website [www.irb.co.in](http://www.irb.co.in) within two (2) working days of passing of the resolutions at the AGM of the Company.

#### **IV. Instructions for the Members for attending the AGM through Video Conference:**

- A. Members may note that the 25<sup>th</sup> AGM of the Company will be convened through VC in compliance with the applicable provisions of the Companies Act, 2013 and Circular issued by SEBI. The facility to attend the meeting through VC will be provided by the Company. Members may access the same at <https://emeetings.kfintech.com/> and click on the "video conference" and access the shareholders/members login by using the remote e-voting credentials. The link for AGM will be available in shareholder/members login where the EVENT and the name of the Company can be selected.
- B. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.
- C. Members can participate in the AGM through their desktops / smartphones / laptops etc. However, for better experience and smooth participation, it is advisable to join the meeting through desktops / laptops with high-speed internet connectivity.
- D. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- E. The facility of joining the AGM through VC will be opened 15 minutes before the scheduled start-time of the AGM and will be available for Members on a first-come-first-served-basis.
- F. The Company reserves the right to limit the number of Members asking questions depending on the availability of time at the AGM.
- G. Members who would like to express their views/ask questions may log into <https://emeetings.kfintech.com/> and click on "Post your Questions" may post their queries/views/questions in the window provided by mentioning the name, demat account number/folio number, email id, mobile number. Please note that, members questions will be answered only if the member continues to hold the shares as of cut-off date benpos. The window shall remain active from 10:00 am on Sunday, September 24, 2023 to 11:00 am on Tuesday, September 26, 2023.
- H. In addition to the above mentioned step, the Members may register themselves as speakers for the AGM to pose their queries. Accordingly, the members may visit <https://emeetings.kfintech.com/> and click on 'Speaker Registration', the window shall remain active from 10:00 am on Sunday, September 24, 2023 to 11:00 am on Tuesday, September 26 2023. The company reserves the right to restrict the number of speakers at the AGM and to only those Members who have registered themselves, depending on the availability of time for the AGM.
- I. Due to limitations of transmission and coordination during the Q&A session, the Company has dispensed with the speaker registration during the AGM conference.

J. Members who need assistance before or during the AGM, A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL <https://emeetings.kfintech.com/>, under the “How It Works” tab placed on top of the page alternatively can contact KFintech on [emeetings@kfintech.com](mailto:emeetings@kfintech.com) 1-800-309-4001 (toll free) or contact Ms. C Shobha Anand, Deputy General Manager, KFin Technologies Limited, through an E-mail request to [shobha.anand@kfintech.com](mailto:shobha.anand@kfintech.com) or [emeetings@kfintech.com](mailto:emeetings@kfintech.com)

#### **V. Procedure for Registration of email and Mobile: securities in physical mode:**

Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite **ISR 1** form along with the supporting documents.

#### **ISR 1 Form can be obtained by following the link:**

<https://ris.kfintech.com/clientservices/isc/default.aspx>

#### **ISR Form(s) and the supporting documents can be provided by any one of the following modes:**

- a) Through ‘In Person Verification’ (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or
- b) Through hard copies which are self-attested, which can be shared on the address below; or

Name        KFIN Technologies Limited  
Address     Selenium Tower-B, Plot No 31 & 32, Gachibowli, Financial District,  
                  Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana.

- c) Through electronic mode with e-sign by following the link:  
<https://ris.kfintech.com/clientservices/isc/default.aspx#>

Detailed FAQ can be found on the link: <https://ris.kfintech.com/faq.html>. For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT account is being held.

AHMEDABAD VADODARA EXPRESSWAY

UDAIPUR SHAMLAJI HIGHWAY

YEDESHI AURANGABAD HIGHWAY

AGRA ETAMAH HIGHWAY

HAPUR MORADABAD HIGHWAY

**IRB**  
INFRASTRUCTURE DEVELOPERS LTD  
HIGHWAY TO GROWTH

YEARS

ROLLING MILES  
AND CREATING  
SMILES FOR THE  
NATION

ANNUAL REPORT 2022-23

MEERUT BUDAUN HIGHWAY

GULABPURA CHITTORGARH HIGHWAY





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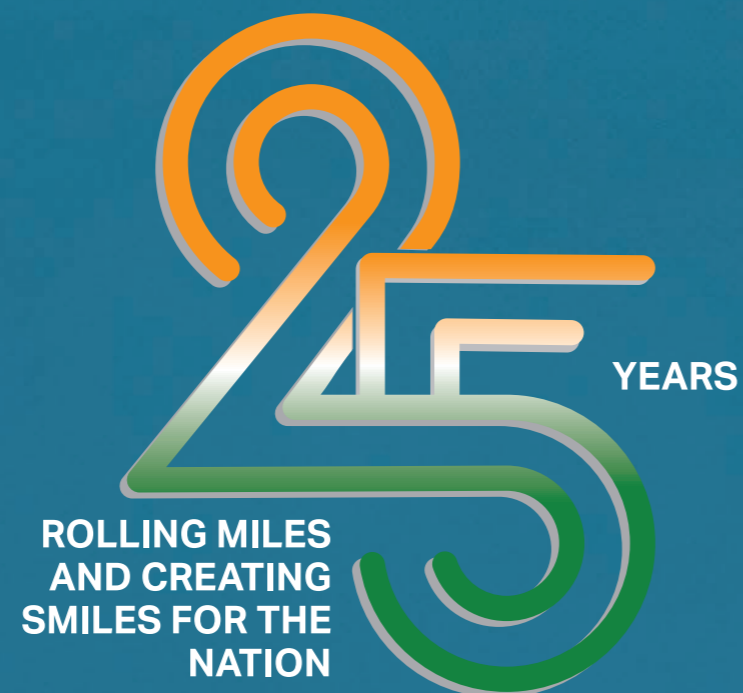
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For more details on our ongoing projects and company visit our website:  
<https://www.irb.co.in/home/investors-contact/>

▲ Karwar-Kundapura NH17 Highway



With the unwavering support of our nation, IRB Infrastructure Developers Ltd. overcame challenges, achieved success and grew into the thriving business we are today. We have always taken pride in creating a positive impact and connecting this nation while expanding our horizons.

In the late 1990s, an aspiring civil engineer by the name of Virendra Mhaiskar embarked upon a journey to establish a Company that would transform the landscape of highway infrastructure within India. His visionary ambition and fervour for development and growth culminated in the founding of IRB Infra, which is dedicated to revolutionising and establishing itself as a pre-eminent player in the realm of Indian highway infrastructure. Through the years, the Company has thrived and expanded, constantly taking on more challenging and impressive projects while setting new benchmarks for quality and innovation. Amidst various endeavours, IRB upholds its core values of integrity, sustainability, and innovation while utilising cutting-edge technology to minimise environmental impact and provide lasting value to clients and communities.

With 25 years of hard work and dedication, IRB Infrastructure Developers Ltd stands tall as a symbol of India's transformation.

## CHAIRMAN'S MESSAGE

# Jubilee Year – IRB Group with 3 listed entities and market capitalisation in excess of ₹ 36,000 Crores



The toll revenue that IRB group has collected across the listed company and the two InvITs was close to ₹ 5,000 Crores, which is around eleven percent market share of the total toll revenue collected across India.



**VIRENDRA D. MHAISKAR**  
Chairman and Managing Director



## Dear Stakeholders,

Following a humble beginning in the year 1998, IRB went on to list in the year 2008. 25 years later, with immense support from all stakeholders, IRB Group today has 3 listed entities, an Asset base of around ₹ 70,000 Crores, 13,739 lane kms under management, 20% share of India's Golden Quadrilateral, 37% market share of TOT projects across the country and enjoys the backing of marquee Investors (Cintra and GIC) to help it realise its growth potential.

Presently, we operate 64 toll plazas, service 736 FASTag lanes and cater to more than 1.3 million vehicles on a daily basis.

We are pleased to share an interesting data point that we recently came across. Gross toll collection across India for the Financial Year 2023 was approximately ₹ 48,000 Crores. The toll revenue that IRB group has collected across the listed company and the two InvITs was close to ₹ 5,000 Crores, which is around eleven percent market share of the total toll revenue collected across India. This number is growing at robust pace with increasing traffic, tariffs and the addition of new assets.

Global developments including geopolitical escalation and recalibration of supply chains have led to a significant increase in inflation across the globe including India. This has been a threat to all businesses across the world. Fortunately, for IRB, Inflation-linked tariff revision acts as a natural hedge against interest rate hikes. For example, the Ahmedabad-Vadodara BOT project and nine assets of the Private InvIT received a tariff revision of ~10% in line with inflation from April 1, 2022. During the current financial year, we have also witnessed good traffic growth across the portfolio. The combination of tariff revisions and traffic growth has enabled us to deliver an improved performance in the financial year under review.

We are pleased to inform you that we have successfully achieved completion for all the nine projects that were transferred to the Private InvIT in the initial phase. Following the completion of the Kishangarh-Gulabpura and Hapur-Moradabad projects the toll rates for these SPVs have seen an increase of 78% and 65% respectively. As most of the assets of Private InvIT have achieved completion, we expect to receive regular payout from Private InvIT to IRB from the financial year.

### Successful award of two projects enhancing visibility of growth

Taking forward the growth momentum, we bagged two projects during the financial year, i.e. the upgradation project for 6 laning of NH27 from Samakhiali to Santalpur having a project cost of ₹ 2,132 Crores and concession life of 20 years on BOT basis from NHAI in the state of Gujarat. The project will be funded by debt of approximately ₹ 1,450 Crores and balance through equity and internal accruals (IRB's share of equity is less than ₹ 300 Crores).

The second award is for a prestigious project in the state of Telangana. The scope encompasses TOT for the Hyderabad Outer Ring Road (ORR) project comprising an 8-lane highway, starting at kilometre 0 at Narsingi junction and ending at kilometre 158 at Gachibowli in Hyderabad, in the state of Telangana on upfront payment of ₹ 7,380 Crores for a concession period of 30 years. The total Capex will be ₹ 8,362 crores which will be funded by debt of ₹ 5,500 Crores and balance through equity

We are pleased to inform you that we have successfully achieved completion for all the nine projects which were transferred to the Private InvIT in the initial phase.

of ₹ 2,862 Crores. Since the project is to be executed through the Private InvIT, IRB's share will be close to ₹ 1,500 Crores and the remainder will be contributed by our financial partner (GIC).

The total order book of the Company as on June 30, 2023 is ₹ 33,708 Crores including the Hyderabad ORR project. EPC order book is close to ₹ 8,423 Crores providing good revenue visibility for the next 2-3 years for the construction segment and further bolstered by a 3 years' executable O&M order which is close to ₹ 2,500 Crores to ₹ 3,000 Crores. This marquee Hyderabad TOT project not only provides visibility for toll revenue but also adds a significant long-duration O&M order book which provides visibility for the construction segment as well.

### Return optimisation strategy with optimal debt equity mix

Following the raising of growth capital in the prior financial year, we have repaid debt and significantly reduced leverage. On a consolidated basis, the debt-equity ratio is less than 0.8:1 which is one of the best for asset developers in the sector. Further, CRISIL has upgraded the rating of the Company by a couple of notches. This has led to a change in the Long term rating from A to AA-

Leveraging the strengthened financial position and improved rating, in line with our return optimisation strategy, we have refinanced 3 BOT project SPVs i.e. Solapur-Yedeshi, Yedeshi-Aurangabad and Udaipur-Shamlaji of the Private InvIT, reducing/fixing the rates for 5 years. We will be saving an additional cash surplus of ₹ 550 Crores over the period of 5 years.

## CHAIRMAN'S MESSAGE

**Strategy of monetisation of HAM assets**

As part of our strategy to monetise HAM assets upon completion, we have successfully transferred the VK1 HAM project to the Public InvIT in this financial year. We have received a consideration of ₹ 342 Crores which is close to 1.2 times of the book value. The Public InvIT received an overwhelming response from its unitholders for the acquisition of the VK1 HAM project. For IRB, the consolidated debt reduced by ₹ 955 Crores with debt for this project also getting transferred to the buyer.

**Continue to undertake pioneering initiatives in the sector**

We are pleased to inform you that our private InvIT has been listed on NSE on April 3, 2023 in line with the SEBI InvIT regulation which requires the listing of all InvITs. On the day of listing, the trust had 10 assets spread across 7 states of India which had a balance average concession life of around 21 years with total enterprise value of more than ₹ 28,000 crores and equity value of over ₹ 18,000 crores.

With this listing of IRB Infrastructure Trust, all three entities within the IRB Group are now listed. The combined market cap of all three entities is more than ₹ 36,000 crores and the gross debt for all three entities is less than ₹ 26,000 crores. The implied debt to market capitalisation for the group is very low, i.e. 0.7x on gross debt level. This validates the position of IRB Group that it is well-capitalised and has the requisite muscle to undertake large-scale projects enabling it to deliver superior growth.

As per the dividend policy of the Company, the Board has declared total dividend of 20% on face value of equity shares ₹ 1 each taking the aggregate dividend pay-out for the current financial year to ₹ 120 crores.

Our commitment and focus on ESG has yielded significant improvement in our ESG rating in the current financial year by two rating agencies i.e. S&P Global & Sustainalytics and scores are as under:

Name of the ESG Rating agency	Criteria	Current Year	Previous Year
S&P Global	Higher - Better	31	7
Sustainalytics	Lower - Better	33.5	44.5

## Our business vision is deeply connected to sustainable growth, emphasising environmental preservation, efficient resource utilisation, and reduced ecological impact.

**ESG in Action**

IRB Infra is driven by a steadfast commitment to the triple bottom-line approach, that encapsulates social commitment (people), environmental responsibility (planet), and financial performance (profit).

We prioritise sustainability through innovative practices, executing large-scale projects while adhering to sustainable principles. Our business vision is deeply connected to sustainable growth, emphasising environmental preservation, efficient resource utilisation, and reduced ecological impact. By adopting ESG principles, we focus on energy conservation, implementing energy-efficient processes, and transitioning to renewable energy sources to contribute to decarbonisation.

With the participation of two marquee strategic/financial investors since FY21, viz. US Headquartered Infrastructure behemoth, Ferrovia group, through its subsidiary Cintra and sovereign wealth fund, Singapore GIC Affiliates. This not only strengthened our financial position but also facilitated the adoption of global best practices and elevated our standards of governance. It is worth noting that IRB Group maintains a robust governance policy, meticulously driven by our esteemed Board.

**Outlook**

With the continued thrust on infrastructure and asset creation by the Government, we see a steady pipeline of opportunities arising across the landscape. IRB will selectively bid for BOT, TOT and HAM projects in that order of preference. From an execution standpoint, BOT and TOT projects will be housed in the Private InvIT which is the development platform of the Group. Any HAM assets will be housed in IRB during the construction phase and will be monetised post-completion. The Public InvIT will enjoy the right of first refusal for the HAM Assets. The EPC and O&M of all the projects will be undertaken by IRB.

This uniquely designed operating model reduces the capital requirements for IRB Infra to 51% of the Equity Component as 49% of the equity component is contributed by GIC Affiliates, our partner in the Private InvIT. Further, with the monetisation strategy we can continue to unlock capital and churn it into future projects. In addition to our strong financial position, the favourable outlook for both toll revenues and our construction business will provide further resources for growth. Needless to say, your Company is

uniquely positioned in the sector with an unmatched track record, a differentiated business model and an elevated financial position.

On this momentous occasion of our Company's 25<sup>th</sup> anniversary, we extend our heartfelt gratitude to our esteemed shareholders. Your unwavering support and trust in our vision have been instrumental in propelling our growth and success over the years. Together, we have overcome challenges, celebrated milestones and embraced opportunities to shape the trajectory of our organisation. Your continued investment and belief in our mission have empowered us to innovate, expand, and create lasting value. We deeply appreciate your commitment and partnership, and we look forward to embarking on the next chapter of our journey, fortified by your unwavering support. Thank you for being an integral part of our remarkable 25-year journey.

Regards,

**VIRENDRA D. MHAISKAR**  
Chairman and Managing Director

# 24

Highway Projects across  
11 Indian States

# ~₹ 70,000 Crores

Asset base

# 13,739 Lane Kms

Under operations

# 37%

Share in India's TOT Space

# 20%

Share in the Golden  
Quadrilateral Project

# 64

Toll plazas

Catering to around

# 13,00,000 plus

Vehicles every day

# 736

FASTag compliant lanes

# A to AA-

Rating Improved

# ~₹ 550 Crores

Cash flow Saving after Refinancing 3  
Projects of Private InvIT

## 25 YEARS OF ENGINEERING GROWTH AND INNOVATION



▲ Kailthal-Rajasthan NH 152/65

IRB Infra is a leading and the largest integrated multinational player in India's highways infrastructure with a staggering operational expanse, poised to bolster its already impressive footprint in the sector. We take great pride in our status as the largest BOT highway project operator in India. Our portfolio of successful undertakings includes the Mumbai-Pune Expressway, Ahmedabad-Vadodara Expressway, Nehru Outer Ring Route, etc.

We introduced innovative financing and maintenance approaches for Toll Roads. We have taken proactive measures to expand our repertoire through strategic acquisitions, partnerships, and foraying into emerging industries. IRB has been honoured with numerous prestigious awards and accolades and these include being lauded as the Best Highways Infrastructure Developer. Furthermore, the Company enjoys a coveted position in the esteemed Fortune India 500 list.

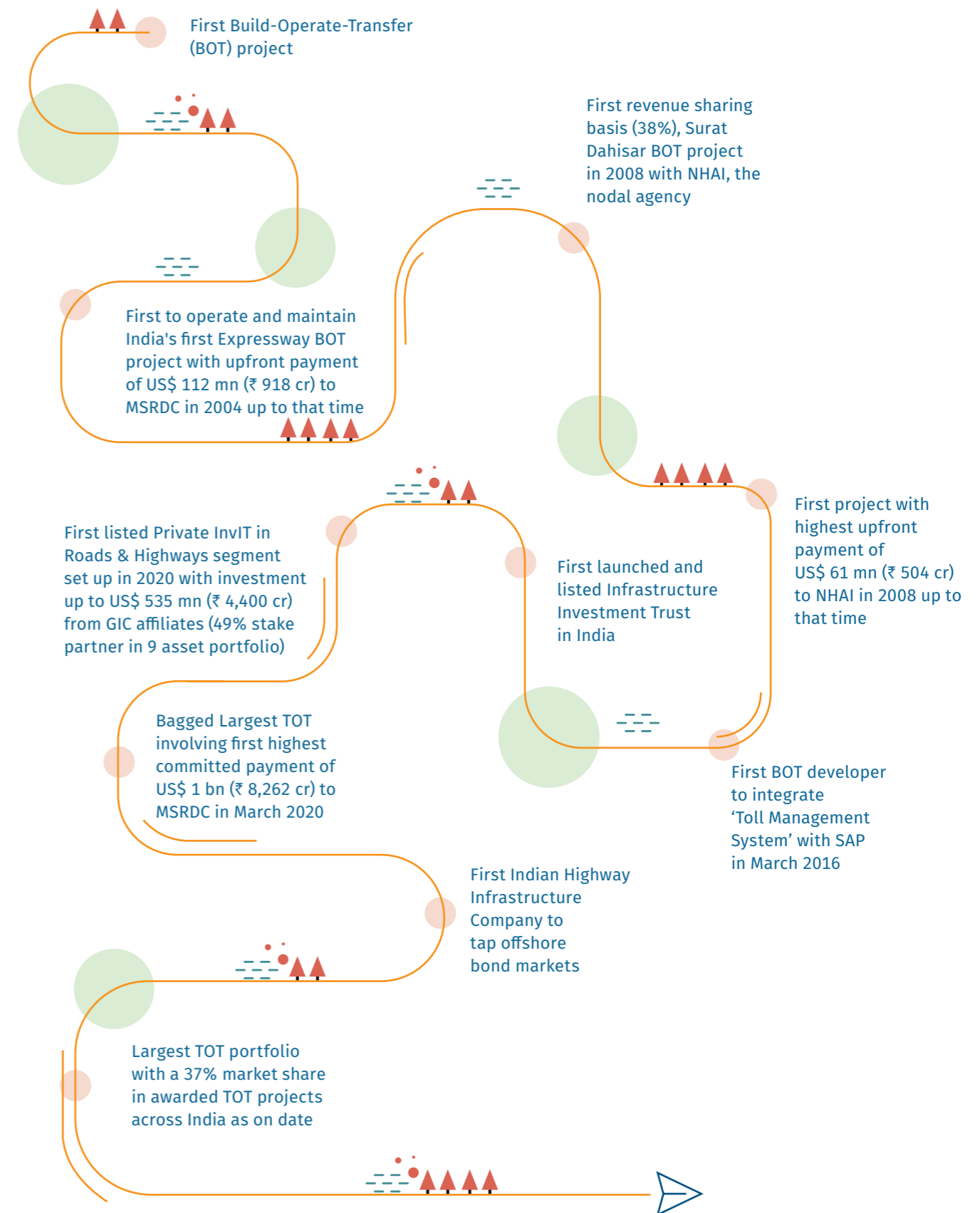
IRB Infra is dedicated to prioritising safety and sustainability and has implemented a strict health and safety management system to ensure responsible

work practices, while also using environment-friendly materials and sustainable design practices to reduce its environmental impact. We continue to promote sustainable development through initiatives such as installing solar panels, recycling construction waste, efficient water consumption and planting trees to reduce carbon emissions.

IRB Infra's journey of 25 years has been marked by our steadfast commitment to growth, innovation, and excellence. Throughout this time, we have dedicated ourselves to the development of our nation, contributing to its progress and prosperity. As we celebrate our Silver Jubilee year, coinciding with India's Platinum Jubilee year, we take immense pride in our accomplishments and the impact we have made on the infrastructure landscape. We have overcome challenges, embraced opportunities, and continuously strived to deliver excellence in all our endeavours. Looking back, we are grateful for the support and trust bestowed upon us by our clients, partners, and stakeholders. As we move forward, we remain resolute in our vision to drive growth, foster innovation, and continue making a positive difference in the infrastructure sector.

## PIONEERING FEATS of IRB

Over the course of this journey, the Company has achieved pioneering feats; accomplishments that fill its stakeholders with a sense of pride and gratification:



Note: USD Exchange rate as on 31 March 2023

Mumbai-Pune Expressway  
(TOT Project)

Maharashtra



₹ 8,875 Crores

Project Cost  
Mumbai Pune Expressway and NH-4

1,014

Lane KMS

10.2 Years

Concession Period



## COMPANY OVERVIEW

## IRB Infra at glance

▲ Gulabpura-Chittorgarh NH79

## Key Partners

**GIC, Sovereign wealth fund, Singapore**

## Cintra

One of the largest private developers of transport infrastructure in the world and a fully owned subsidiary of Ferrovial Group of Spain.

## Key Clients

- Ministry of Road Transport and Highways - Govt. of India
- Uttar Pradesh Expressways Industrial Development Authority - Govt. of Uttar Pradesh
- Maharashtra State Road Development Corporation - Govt. of Maharashtra
- National Highways Authority of India - Govt. of India
- Hyderabad Metropolitan Development Authority - Govt. of Telangana
- Ministry of Civil Aviation - Govt. of India
- Maharashtra Industrial Development Corporation - Govt. of Maharashtra



## Our Ethos



## Purpose

The purpose for our existence is to express and demonstrate our sincere and whole hearted commitment towards our Society and the Nation, through the creation of World Class Roads & Highways Infrastructure, with minimum impact to the nature and recycling of product to maximum extent, which will facilitate creation of a strong sense of belongingness among people and bring them closer through quicker connectivity that we establish to boost trade and businesses, entrepreneurships, job opportunities; socio-cultural developments to help economy grow and enhance stakeholders' value through profitability and goodwill.



## Vision

To become India's largest, most admired, trustworthy, respected and stakeholders friendly organization, committed to develop safe and comfortable roads and highways infrastructure for the Nation.



## Mission

To create the comprehensive network of world class roads and highways infrastructure in India that will bring cities and citizens closer, share and exchange values to ensure socio-economic and cultural development of the Nation.

To strengthen and grow to the leadership position by ensuring continual improvements in operational efficiencies, quality and services.



## Values

## India First

Each and every one of us at IRB strives to fulfil developmental aspirations of the Nation.

## Quality, Reliability &amp; Safety

We make sure that our infrastructure projects are of the supreme quality, highly reliable and safe for users.

## Ethics

Our conduct and actions will at all times be moral and ethical. We would never resort to any action or work or involve in such an acts, which are illegal, immoral and/or unethical.

## Ownership &amp; Stability

Each one of us at IRB is committed to function with high responsibility, like a stakeholder, so as to ensure growth, stability and sense of security for the organization.

## Trust &amp; Integrity

Our rich domain expertise and high project execution skills; cost effectiveness and profitability; fair and transparent business practices constitute the bedrock of our policy for creating high level of trust and integrity about us among the stakeholders.

## Openness and Transparency for Organisational Growth

We promote work environment that gives equal opportunity to each and every employee to develop and grow within the organization. We embrace and encourage the culture of openness to dialogue, free-fair-frank-firm-and fearless expression of views and opinions for creating a robust and adapted organization for meeting challenges in the fast changing business environment.

**Ahmedabad-Vadodara Expressway****Gujarat****₹ 4,880 Crores**Project Cost  
Ahmedabad-Vadodara NH48 (Old NH8) and NE 1**987**

Lane KMS

**25 Years**

Concession Period



## OUR ICONIC PROJECT

# A game changing endeavour

## The Nehru Outer Ring Road (Hyderabad ORR) TOT Project

▲ Nehru Outer Ring Road, Hyderabad

IRB has bagged the Nehru Outer Ring Route, Hyderabad project in the State of Telangana for the Revenue Linked Concession Period of 30 Years for the tolling, operation, maintenance, and transfer (TOT), spanning from KM 0+000 to KM 158+000. Our exceptional expertise, domain knowledge and experience coupled with our commitment helped us achieve Financial Closure in 76 days and a successful takeover of the project on Aug 12, 2023, from the Hyderabad Metropolitan Development Authority (HMDA).

## Key Highlights



**₹8,362 Crores**  
Project Cost

**1,264 Lane kms**  
Eight-lane Carriageway  
with two-lane service road

**₹7,380 Crores**  
Upfront Concession Fee  
payment to the HMDA

**20**  
Toll Fee Plazas

**8**  
Major Bridges

**122**  
Minor Bridges

**1**  
Flyover

**4**  
Railway Bridges

**168**  
Underpasses

**30 Years**  
Revenue Linked  
Concession period

This significant project stands as one of the crown jewel projects in our portfolio, showcasing our ability to undertake and successfully complete complex ventures. By undertaking this massive project, IRB aims to alleviate the burden of traffic congestion that plagues several parts of the city, providing substantial relief and solving the problems faced by its residents. The project is being implemented through our Associate, IRB Infrastructure Trust.



OUR ICONIC PROJECT

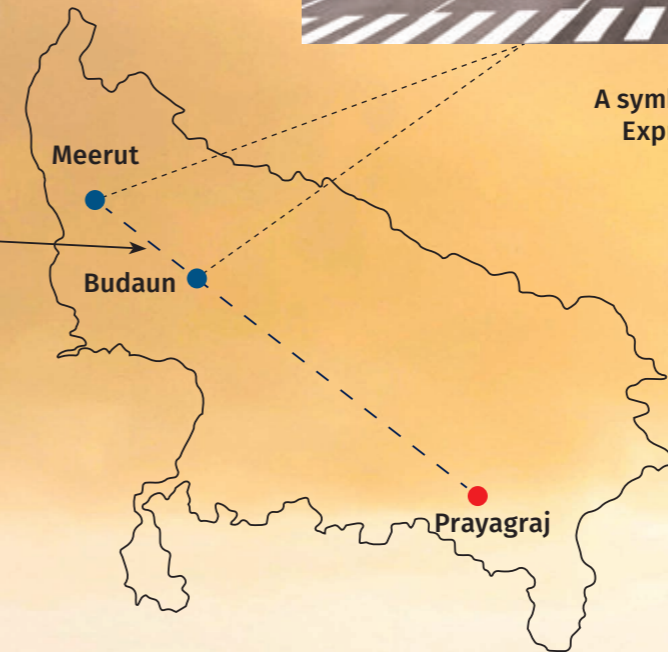
# The Meerut-Budaun Expressway (Ganga Expressway Group 1)

The Company bagged this prestigious project in December 2021 and after signing Concession Agreement and achieving Financial Closure commenced construction in October 2022. The Company will be developing the 129.7 kms (778 Lane kms) stretch from Meerut to Budaun under Group 1 of the four groups of the project, with a cost outlay of ₹ 6,538 Crores, under the Design, Bid, Finance, Operate & Transfer (DBFOT) model with the traffic linked extendable Concession period up to 36 years that includes 3 years for construction.



A symbolic representation of Meerut-Budaun Expressway (Ganga Expressway Group 1)

Group 1 Section being executed by IRB Infrastructure Developers Ltd.



Meerut-Budaun Expressway

Uttar Pradesh



₹ 6,538 Crores

Project Cost

778

Lane kms

30 Years

Traffic link Concession Period extendable up to 36 years.

Agra-Etawah NH19  
(BOT Project)

Uttar Pradesh



₹ 3,044 Crores

Project Cost

747

Lane kms

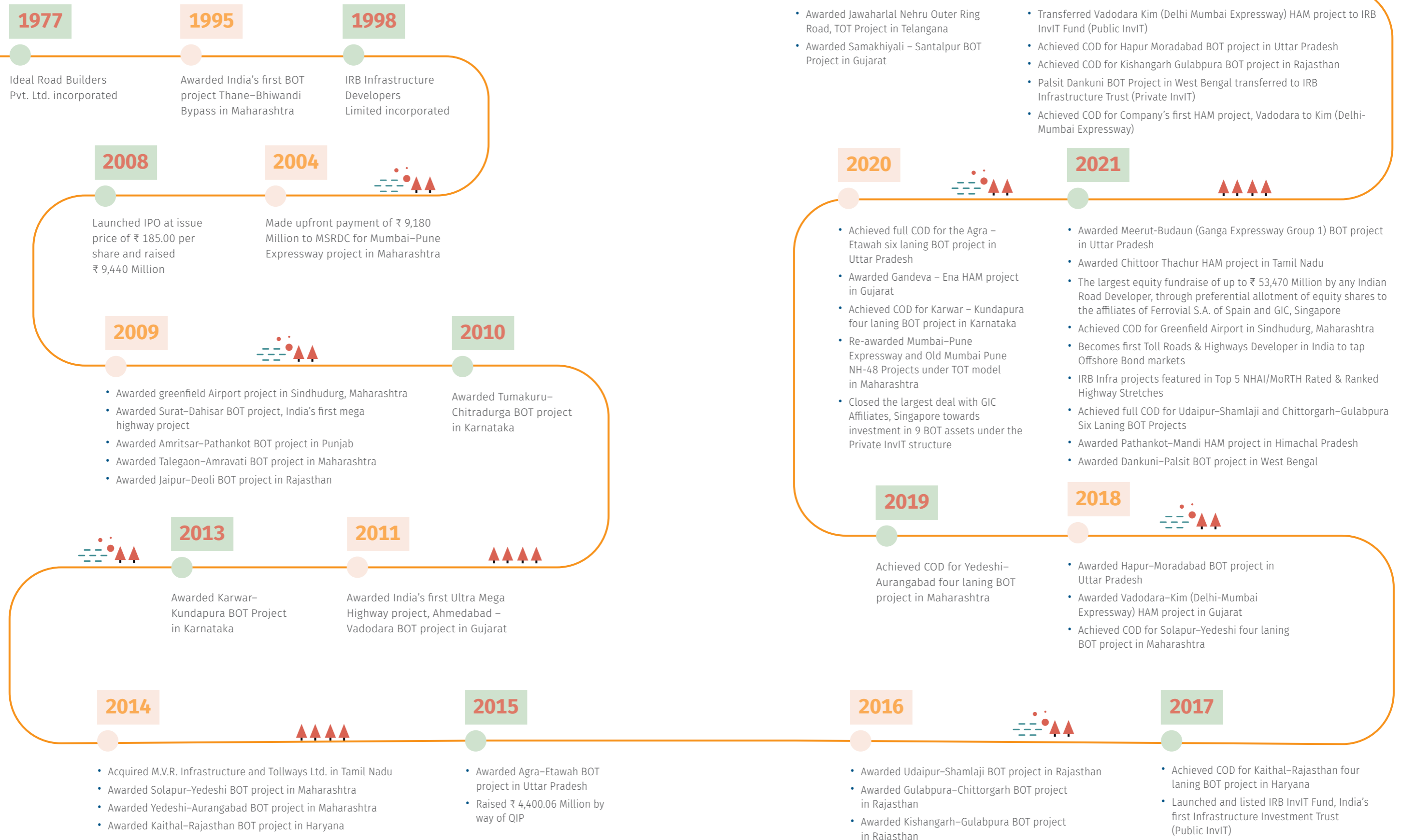
24 Years

Concession Period



## MILESTONES

## Impeccable achievements



## NATIONAL FOOTPRINT

# Highway to growth

IRB Infrastructure Developers Ltd. is the powerhouse driving India's highways, and infrastructure development sector.

Over 25 years, our projects, spanning roads and bridges, have made an indelible impact nationally. Rooted in innovation and operational efficiency, we've been pivotal in driving sustainable growth, and powering India's advancement. As IRB Infrastructure Developers Limited, we proudly stand as a significant contributor to the nation's infrastructure landscape, leading it towards a more connected and developed future.



### Unmatched Expertise

IRB Infrastructure Developers Ltd. has demonstrated unparalleled expertise in managing a vast network of highways across India, making them a formidable force in the infrastructure industry.



### National Impact

As a major player in India's infrastructure landscape, IRB Infrastructure Developers Ltd. has contributed significantly to the country's economic growth, creating jobs and enabling commerce and trade.



### Scale and Scope

With an asset base of ~₹ 70,000 Crores and 24 highway projects spanning 11 states, IRB Infrastructure Developers Ltd. has achieved an impressive scale and scope unmatched by any other player in the industry.



### Innovation Efficiency

With 64 toll plazas equipped with 736 FASTag-compliant lanes, IRB Infrastructure Developers Ltd. has demonstrated a commitment to innovation and efficiency, leveraging cutting-edge technology to deliver a seamless and hassle-free experience for travellers.



### Karwar-Kundapura Four Laning Project on NH17

Karnataka



₹ 3,447 Crores

Project Cost  
Karwar-Kundapura NH17

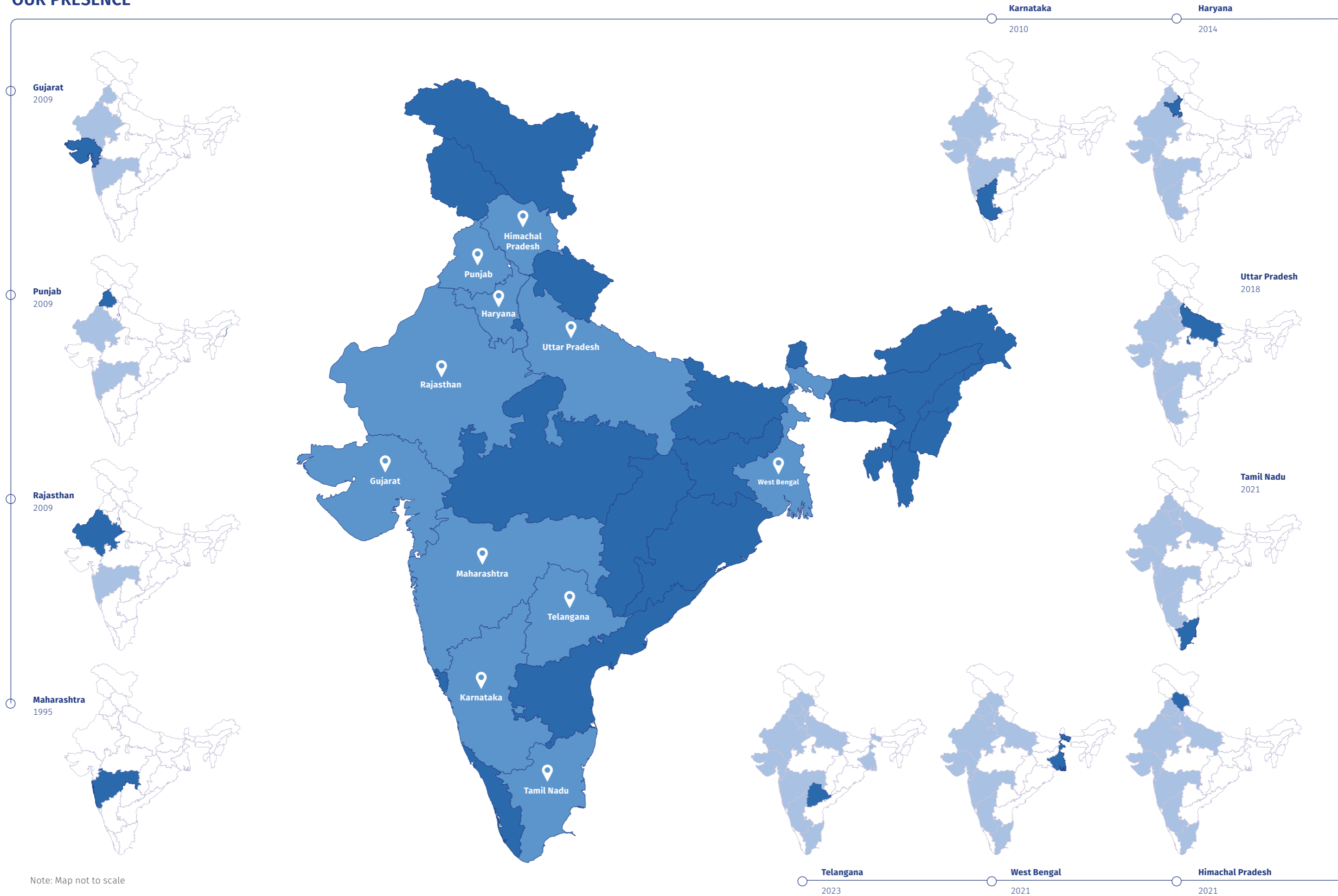
758

Lane kms

28 Years

Concession Period

# OUR PRESENCE



Note: Map not to scale

## PROJECT PORTFOLIO

# Our projects in the journey of 25 Years

We are dedicated to developing world-class highway infrastructure for India, prioritising higher safety standards and delivering consistent value to end users, communities, stakeholders, and the nation. As an integrated BOT, TOT, and HAM highways developer, we specialise in EPC and O&M activities. With rich domain expertise and over two decades of experience, we have the capacity to execute large projects across diverse terrains. From concept to construction, commissioning to tolling, and operations to maintenance, we provide comprehensive solutions for highway development.

## Projects under BOT

Name of Project	State	Client	Lane Kms	Project Cost (₹ in Crores)	Concession Period	Present Status
Ahmedabad-Vadodara Six Lanes Expressway NE1 and Ahmedabad-Vadodara NH48 Highway	Gujarat	NHAI	987	4,880	25 years	Operational
Meerut-Budaun Six Lanes Expressway, expandable to Eight Lanes (Part of upcoming Ganga Expressway Group 1 greenfield project)*	Uttar Pradesh	UPEIDA	778	6,538	30 years (Traffic link Concession Period extendable up to 36 years)	Under Construction
Samakhiali-Santalpur Six Laning of 90.9 kms stretch on NH27*	Gujarat	NHAI	545	2,132	20 years	Under Development

\* Proposed to be transferred to Private InvIT

## Projects under BOT (Private InvIT)

Name of Project	State	Client	Lane Kms	Project Cost (₹ in Crores)	Concession Period	Present Status
Kaithal-Rajasthan Four Laning project on NH152/65	Haryana	NHAI	665	2,323	27 Years	Operational
Agra-Etawah Six Laning project on NH19 (Old NH2)	Uttar Pradesh	NHAI	747	3,044	24 Years	Operational
Hapur-Moradabad Six Laning project on NH9 (Old NH24)	Uttar Pradesh	NHAI	599	3,345	22 Years	Operational
Kishangarh-Gulabpura Six Laning project on NH79A and NH79	Rajasthan	NHAI	540	1,526	20 Years	Operational
Gulabpura-Chittorgarh Six Laning project on NH79	Rajasthan	NHAI	749	2,090	20 Years	Operational
Udaipur-Shamlaji Six Laning project on NH48 (Old NH8)	Rajasthan	NHAI	683	2,531	21 Years	Operational
Palsit-Dankuni Six Laning project on NH19	West Bengal	NHAI	378	2,403	17 Years	Under Tolling & Construction
Solapur-Yedeshi Four Laning project on NH211	Maharashtra	NHAI	395	1,590	29 Years	Operational
Yedeshi-Aurangabad Four Laning project on NH211	Maharashtra	NHAI	756	4,177	26 Years	Operational
Karwar-Kundapura Four Laning project on NH17	Karnataka	NHAI	758	3,447	28 Years	Operational

## Projects under O&M (Public InvIT)

Name of Project	State	Client	Lane Kms	Project Cost (₹ in Crores)	Concession Period	Present Status
Amritsar-Pathankot Four Laning project of NH54 (Old NH15)	Punjab	NHAI	410	1,445	20 Years	Operational
Jaipur-Deoli Four Laning project on NH12	Rajasthan	NHAI	595	1,775	25 Years	Operational
Talegaon-Amaravati Four Laning project on NH53 (Old NH6)	Maharashtra	NHAI	267	893	22 Years	Operational
Tumakuru-Chitradurga Six Laning project on NH48 (Old NH4)	Karnataka	NHAI	684	1,142	26 Years	Operational
Omaller-Salem-Namakal Four Laning project on NH44 (Old NH7)	Tamil Nadu	NHAI	275	308	20 Years	Operational
Eight Lanes Vadodara-Kim Package 1 stretch on upcoming Vadodara Mumbai Expressway greenfield project	Gujarat	NHAI	190	2,094	15 Years over construction period	Operational

## Projects under TOT

Name of Project	State	Client	Lane Kms	Project Cost (₹ in Crores)	Concession Period	Present Status
Tolling and O&M Concession of the Mumbai-Pune Expressway project along with Mumbai-Pune Old Highway NH48 (Old NH4)	Maharashtra	MSRDC	1,014	8,875	10 Years and 2 Months	Operational
Tolling and O&M Concession of the Nehru Outer Ring Road, Hyderabad	Telangana	HMDA	1,264	8,362	30 Years (Revenue Linked)	Operational

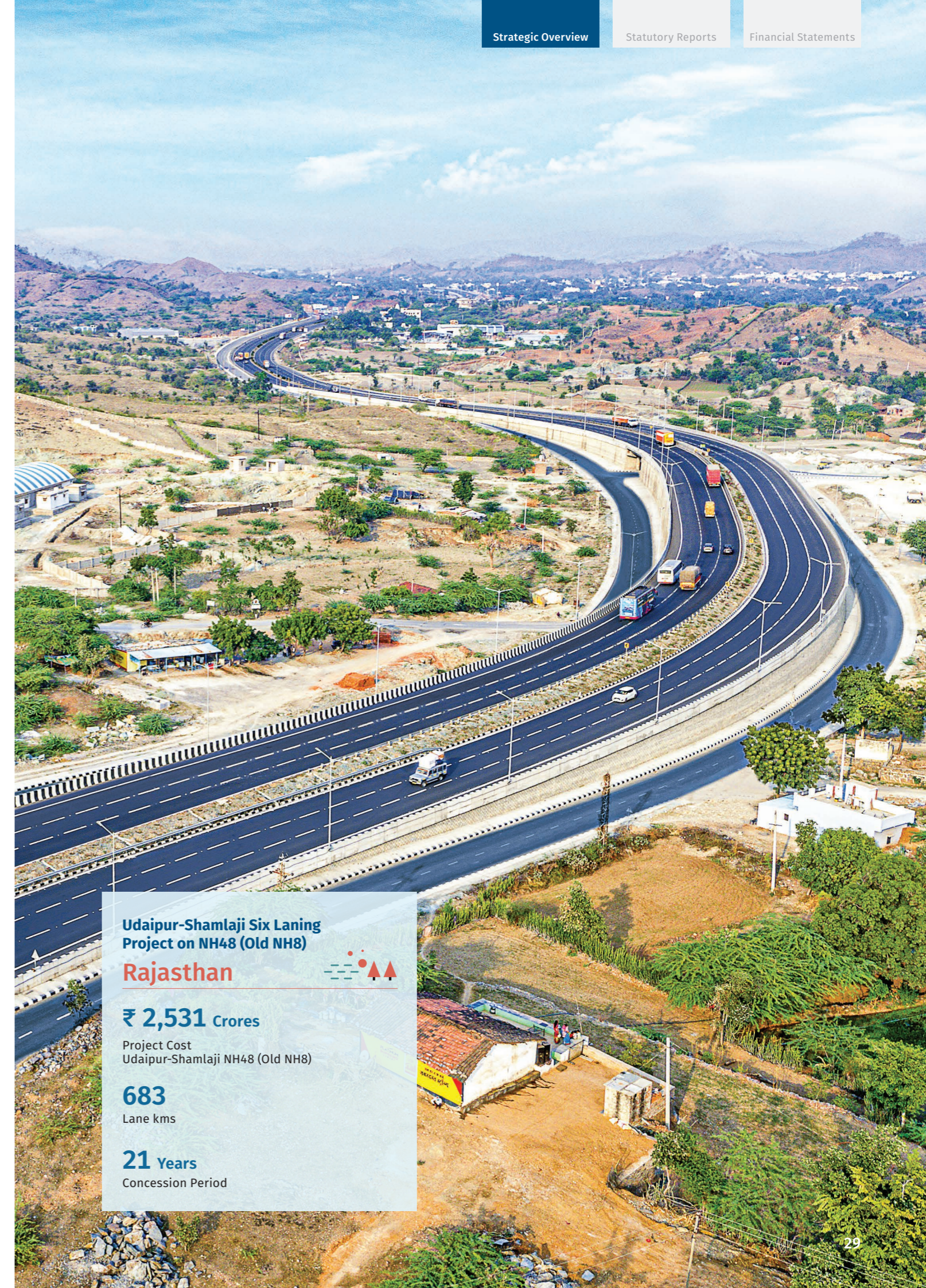
## Projects under HAM

Name of Project	State	Client	Lane Kms	Project Cost (₹ in Crores)	Concession Period	Present Status
Eight Lanes Gandeva Ena Package 7 stretch on upcoming Vadodara-Mumbai Expressway greenfield project	Gujarat	NHAI	216	1,755	15 Years over construction period	Under construction
Pathankot-Mandi Four Laning project on NH154 (Old NH20)	Himachal Pradesh	NHAI	168	828	15 Years over construction period	Under construction
Chittoor-Thachur Six Laning project on NH716B	Tamil Nadu	NHAI	120	909	15 Years over construction period	Under construction

## PROJECT PORTFOLIO

## Completed Concessions

Name of Project	State	Client	Lane Kms	Project Cost (₹ in Crores)	Concession Period
Bhiwandi-Wada SH35: Improvement and strengthening of the project with private financing and toll rights for concession period on BOT basis.	Maharashtra	PWD	72	9.45	10 Years and 8 Months
Khambatki Ghat Project NH48 (Old NH4): Strengthening of existing two lanes; constructing of additional two lanes and a tunnel, with toll rights for concession period on BOT basis.	Maharashtra	NHAI	34	45	10 Years & 8 Months
Kaman-Paygaon SH4: Strengthening of stretch with private financing and toll rights for concession period on BOT basis.	Maharashtra	PWD	44	14	15 Years
Kharpada Bridge NH17: Construction of a major bridge across Patalganga River and an ROB near Kharpada Village on NH17, including approach road at both sides, with toll rights for concession period on BOT basis.	Maharashtra	MoRTH	3	32	17 Years & 9 Months
Nagar-Karmala-Tembhurni SH141: Strengthening of stretch with toll rights for concession period on BOT basis.	Maharashtra	PWD	120	60	15 Years
Mohol-Kurul-Kamti-Mandrup NH13 & SH149: Improvement of stretch with toll rights for concession period on BOT basis.	Maharashtra	PWD	67	18	16 Years
Thane-Bhiwandi Bypass Project: First BOT project in India to develop, operate and maintain the project with toll rights for concession period on BOT basis.	Maharashtra	MoRTH	96	104	18 Years & 6 Months
Pune-Solapur NH9: Develop, operate and maintain the project with toll rights for concession period on BOT basis.	Maharashtra	MoRTH	104	63	16 Years
Mumbai-Pune Expressway and Mumbai-Pune Old Highway NH48 (Old NH4) 1st Concession for the period 2004-2019 to develop, operate and maintain the two projects with toll rights for concession period.	Maharashtra	MSRDC	1,014	1,301	15 Years
Thane-Ghodbunder Project: Develop, operate and maintain the project with toll rights for concession period.	Maharashtra	MSRDC	90	246	15 Years
Pune-Nashik NH50: Develop, operate and maintain the project with toll rights for concession period.	Maharashtra	MoRTH	120	73	18 Years
Bharuch-Surat Six Laning project on NH48 (Old NH8)	Gujarat	NHAI	390	1,470	15 Years
Surat-Dahisar Six Laning project on NH48 (Old NH8)	Gujarat and Maharashtra	NHAI	1,437	2,537	12 Years



### Udaipur-Shamlaji Six Laning Project on NH48 (Old NH8)

**Rajasthan**

**₹ 2,531 Crores**

Project Cost  
Udaipur-Shamlaji NH48 (Old NH8)

**683**

Lane kms

**21 Years**

Concession Period

## HIGHLIGHTS OF FY23 AND PERFORMANCE IN THE LAST 25 YEARS

# The road to sustainable growth

At the forefront of India's roads and highways sector, our unwavering dedication and strategic approach have yielded remarkable results. Our exceptional advancements speak for themselves, with a strong financial performance that sets us apart from the rest. Our team's relentless pursuit of excellence and innovative operations has helped us make a significant impact on India's infrastructure landscape.

## Consolidated performance

### Turnover

(₹ in million)

<b>FY23</b>	<b>67,033</b>
FY20	70,472
FY17	59,691
FY14	38,533
FY11	25,026
FY08	7,847

**CAGR ~15%**

### Net Worth

(₹ in million)

<b>FY23</b>	<b>133,789</b>
FY20	66,829
FY17	52,716
FY14	35,607
FY11	24,326
FY08	16,207

### Net Debt Equity Ratio

<b>FY23</b>	<b>0.75</b>
FY20	0.76
FY17	2.87
FY14	2.69
FY11	1.41
FY08	1.25

### EBITDA

(₹ in million)

<b>FY23</b>	<b>35,307</b>
FY20	31,664
FY17	31,715
FY14	18,751
FY11	11,584
FY08	4,639

### Asset Base at Group Level

(₹ in million)

<b>FY23</b>	<b>682,752</b>
FY20	497,140
FY17	344,930
FY14	125,790
FY11	126,030
FY08	62,032

### Profit After Tax

(₹ in million)

<b>FY23</b>	<b>7,200</b>
FY20	7,208
FY17	7,154
FY14	4,596
FY11	4,640
FY08	1,265



### Gulabpura-Chittorgarh NH79 Project Rajasthan



**₹ 2,090 Crores**

Project Cost  
Gulabpura-Chittorgarh NH79

**749**

Lane kms

**20 Years**

Concession Period



PRIVATE INVIT & PUBLIC INVIT

# Unlocking value: The power of de-risking



▲ Solapur Yedeshi NH 211

**Highlights**

- Surplus cash flow generating portfolio, with distribution to start next year onwards
- Average weighted balance concession period of more than 20 years
- Opportunity to jointly explore future opportunities in the Sector
- Strong order book visibility for IRB Infrastructure Developers Limited

At IRB, we are committed to meeting the diverse risk appetites of our shareholders. To achieve this, we have moulded into a business structure that de-risks our projects through phased Private and Public InvIT offerings. This approach creates long-term value for all stakeholders involved.

**Development Phase**

We identify potential projects and carry out traffic assessment and estimate the construction cost.

Finalise the price and place our bid.

The project is awarded through a transparent process of e-tendering.

Once the project is awarded, we proceed with debt tie-up and carry out other approval processes.

**Execution Phase**

In this phase, our project is transferred to private InvIT to lower the project risk.

**IRB Private InvIT**

In February 2020, the trust was established with an initial infusion of ₹ 38 billion from GIC affiliates. The introduction of a Private InvIT has empowered

our Company to reduce equity commitments, take on more projects, and generate growth capital. This innovative approach has also helped us optimise our capital structure and generate cash flow, creating value for all stakeholders. With 10 BOT assets, including operational, under-tolling and construction, and under-implementation projects, our portfolio boasts an impressive enterprise value of over ₹ 287.34 billion.

**Operational Phase**

With the construction and testing phases successfully completed, it is now time to commence commercial operations and hand over the project to IRB Public InvIT, once it gets financially stabilised. This transfer of ownership will not only reduce project risk but also mark the beginning of a new era for the project.

Unit holding pattern		Key Highlights (₹ mn)				
		<b>12,793</b>	<b>94,489</b>	<b>287,338</b>	<b>27,116</b>	<b>21 Years</b>
51% (Sponsor and Project Manager)		Operating Cash EBITDA (FY23)	Net Debt (FY23)	Enterprise Value (FY23)*	Revenue (FY23)	Weighted avg life of Assets (FY23)
49%		*Based on Independent Valuer's Report				

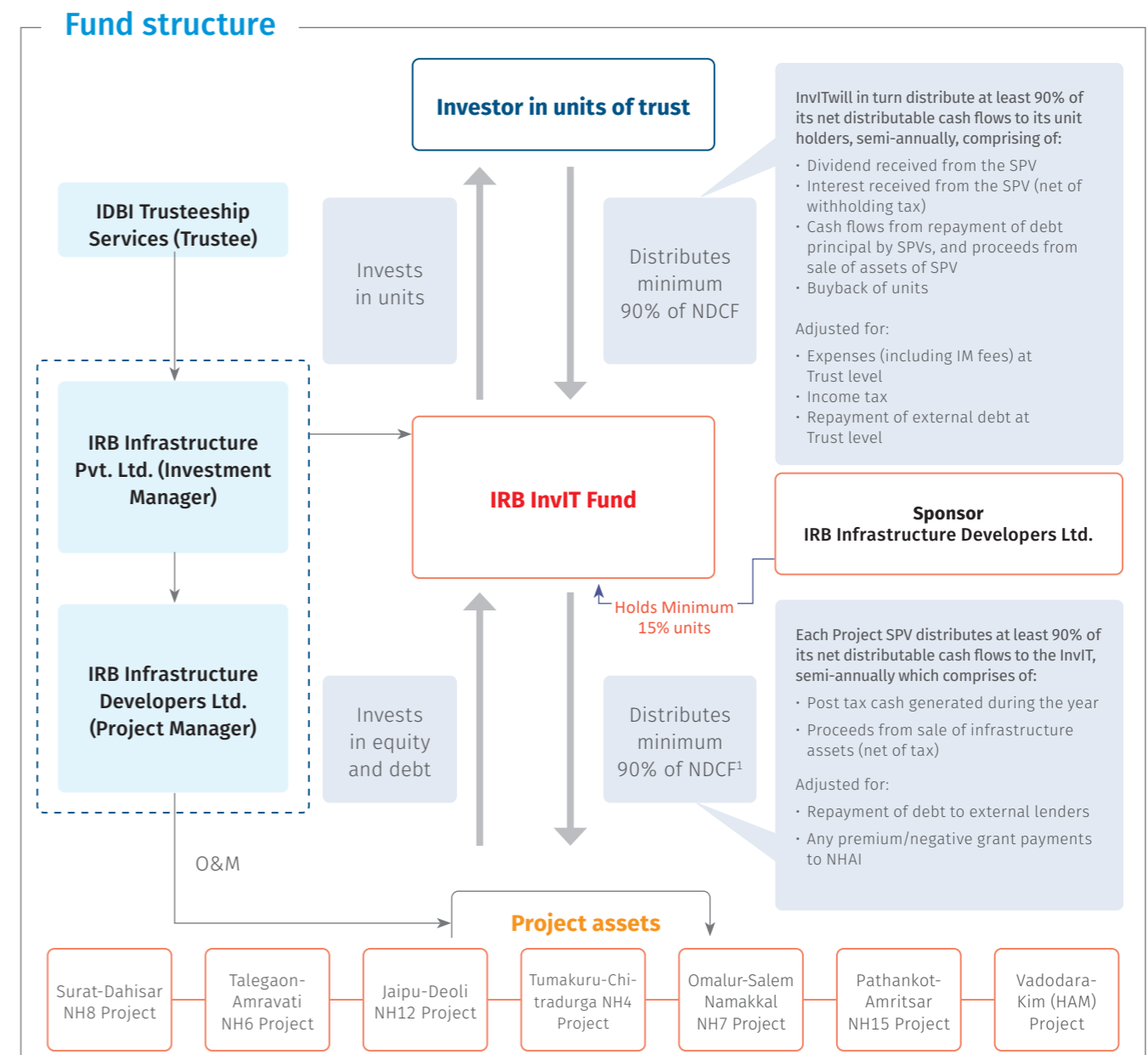
**IRB Public InvIT**

IRB InvIT Fund (IRB InvIT) is a pioneer in India's infrastructure investment trust market. As the first of its kind registered under the InvIT Regulations, it specializes in the ownership, operation, and maintenance of road assets. Since its launch and listing in 2017, it has provided the Group with an additional tool to unlock capital and sustain growth. With a portfolio spanning diverse locations, our assets are well-established and generate consistent revenue, boasting an impressive enterprise value of ₹ 82.44 billion.

**Highlights**

- AAA ratings by India rating and CARE
- Debt Equity Ratio: 0.3:1
- Cumulative distribution since listing of over 50% of listing price: ₹ 58.35 per unit

**Structure of Public InvIT**



<sup>1</sup> Note: Subject to provision of Companies Act, 2013  
\*Subject to applicable provisions of Companies Act, 2013  
Concession period for Surat-Dahisar project ended on 25th May, 2022 respectively.

## Unit Holding Pattern of Public InvIT

### Unit Holding Pattern as on June 30, 2023

	% Holding
Sponsor(s)/Investment Manager/Project Manager(s) and their associates/related parties	18.48
Foreign Portfolio Investors	24.58
Individuals	34.14
Bodies Corporates	12.38
Mutual Funds	6.56
Insurance Companies	2.14
Provident/Pension funds	0.09
Non Resident Indians	1.02
Trusts	0.15
Financial Institutions/Banks	0.38
Clearing Members	0.00
NBFCs registered with RBI	0.08
<b>Total</b>	<b>100.00</b>

S. No.	Unit holders holding more than 1%	% holding
1	IRB Infrastructure Developers Limited	15.97
2	Government of Singapore	7.41
3	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Equity Hybrid '95 Fund	6.39
4	BNY Mellon Investment Funds Newton Asian Income Fund (On Behalf of Newton Investment Management Limited)	3.95
5	CIM Investment Fund ICAV	2.93
6	Monetary Authority of Singapore	2.40
7	Prusik Umbrella UCITS Fund Plc/Prusik Asian EQU1	2.29
8	Virendra D. Mhaiskar	2.11
9	PFIL Securities Ltd	2.02
10	Pace Stock Broking Services Pvt. Ltd.	1.85
11	HDFC Life Insurance Company Limited	1.68
12	Schroder Asian Asset Income Fund	1.01
	<b>Total</b>	<b>50.01</b>

### Surat-Dahisar NH48 Project

## Maharashtra /Gujarat



**₹ 2,537** Crores

Project Cost  
Surat-Dahisar NH48

**1,437**

Lane kms

**12** Years

Concession Period (Concession successfully completed on May 25, 2022)

## OUR STRENGTH

# Innovate. Create. Construct. Succeed.

IRB Infra stands as a pinnacle in the industry, boasting an exquisite blend of robust in-house project design, flawless execution, and impeccable maintenance capabilities. With an illustrious construction track record, we have consistently showcased our expertise in efficiently delivering projects.

Our prowess extends to a vast equipment bank, enabling them to tackle large-scale contracts with a lot of independence. Moreover, our in-house operations and maintenance capabilities further strengthen our position in the industry.



### Strong construction track record

- One of the largest BOT portfolios in the country - total length of around c. 14,000 lane kms of BOT/TOT road assets



### Efficient project execution capabilities

- Access to best global technology and practices through its strategic Investor - Ferrovial group.
- Projects executed pan-India
- Ability to construct over 500-600 kms in a year



### Large equipment bank

- One of the largest fleet of construction equipment in India, worth ₹ 5 billion+
- Processes in place for equipment management and tracking
- 3,000+ skilled and unskilled employees



### Ability to bid independently for large con

- Robust contract management capabilities
- Professional management team
- Qualified for all sizes of highway projects on its own (without any third-party)



### In-house O&M Capabilities

- Expert talent pool and state-of-the-art equipment bank helps in managing entire tolling and maintenance function in-house
- Manages O&M of all group assets

### Bharuch-Surat NH48 Project

### Gujarat



₹ 1,470 Crores

Project Cost  
Bharuch-Surat NH48

390

Lane kms

15 Years

Concession Period (Concession successfully completed on March 31, 2022)

## SUSTAINABILITY

# Championing environmental responsibility

IRB Infra is driven by a steadfast commitment to the triple-bottom-line approach, which encapsulates environmental responsibility, social commitment and financial performance.

Sustainability forms an integral part of our fundamental principles, driving us to continuously explore and adopt pioneering methods in order to effectively carry out major projects across the country. Our business vision is intricately intertwined with these principles, as we actively pursue sustainable expansion. Through our steadfast commitment to sustainable construction practices, we have consistently placed importance on preserving our environment, responsibly managing our natural resources, and reducing our ecological impact.

In line with our business vision, we remain committed to sustainable growth. We recognise that true prosperity lies in balancing economic progress with environmental stewardship and social responsibility. With this in mind, we actively seek out innovative solutions and continuously evolve our practices to meet the ever-evolving demands of the modern world.

Preserving our environment is of paramount importance to us. We are committed to minimising waste generation, conserving energy and natural resources, efficient water usage and reducing greenhouse gas emissions throughout our operations. From the initial stages of project development to the final construction phase, we assess the environmental impact and actively seek ways to mitigate it. This includes utilising eco-friendly materials, optimising resource allocation, and employing efficient construction techniques to minimise our ecological footprint.

Our commitment to sustainability extends beyond individual projects; it is ingrained in our corporate culture and influences our day-to-day operations. We actively engage with our stakeholders, including employees, suppliers and local communities to foster a culture of environmental consciousness and social responsibility. We strive to create partnerships that promote sustainability and collaborate with like-minded organisations to drive collective action for a greener and more sustainable future.

We have committed to the Science Based Target Initiative (SBTi). Going forward, we will be in the process of setting near-term and net-zero targets to contribute towards the 1.5 degree target as per the Paris Agreement.



▲ Mumbai-Pune Expressway

The organisation has a measurable sustainability rating that serves as a benchmark for evaluating its sustainability performance. The fact that the rating has improved significantly reflects the concrete progress made during the year.

## Harmonising Growth and Sustainability

Aligned with the United Nations' Sustainable Development Goals (SDGs), IRB Group recognises the importance of addressing pressing global issues by 2030. In 2022, we signed the UNGC pledge, which showcases our commitment to SDG goals and UNGC principles. Our engagement means we commit to practising these principles in every aspect of our business strategy and operation.

## IRB Group's environmental initiatives

As a responsible and leading integrated infrastructure developer in India, IRB Infra is committed to actively contributing to a greener and cleaner environment through the adoption of sustainable practices. We dedicatedly incorporate eco-friendly processes at all levels and project sites, ensuring the optimal utilisation of natural resources throughout our operations. We recognise the potential negative impact of infrastructure development, particularly the emission, waste and deforestation involved in constructing activity in general. To address this, we are focused on pioneering innovative solutions that strike a balance between economic growth and environmental preservation.

We are focusing on sustainability and implementing various measures to address environmental concerns. Here is a summary of the initiatives:



### Biodiversity

- All required environmental management strategies are in place and being implemented to maintain biodiversity.
- Awareness creation and tree plantation to promote biodiversity conservation.



### Emission Reduction

- Adopting sustainable construction practices that prioritise grid supply over diesel generators.
- Investment on upgrading and modernising own equipment fleet to enhance productivity and efficiency and reducing carbon emissions.



### Energy Efficiency

- Adding renewable energy in overall energy portfolio, which serves as our commitment towards sourcing clean energy.
- Propose installation of solar plant to increase share of renewable energy, reduce GHG emissions.
- Deploying energy-efficient LED lighting solutions and utilising natural day lighting wherever possible to reduce energy consumption and enhance sustainability.



### Water Management

- Managing water resources efficiently by adopting a variety of measures to optimise consumption
- Minimising water waste through reuse or recycling programmes.
- Deployment of drip irrigation and rainwater harvesting as water-saving methods for gardening.



### Waste Management

- Robust Waste Management Policy in place to control and reduce material waste at all levels. This also takes care of waste disposals in a sustainable manner.
- Scrupulously follow the 'Reduce, Reuse, and Recycle' approach across the organisation that contributes to a circular economy and convert waste to resources.



▲ Karwar-Kundapura NH17

## Governance

IRB Group's philosophy on governance is based on certain key principles, including Anti-Bribery and Corruption, fairness and integrity, transparency and disclosure, accountability, equal treatment to all the stakeholders and social responsibility. Its fundamental objective is the institution of and adherence to policies adopted, systems and procedures, ensuring the commitment of the Board of Directors in managing the Company's affairs in

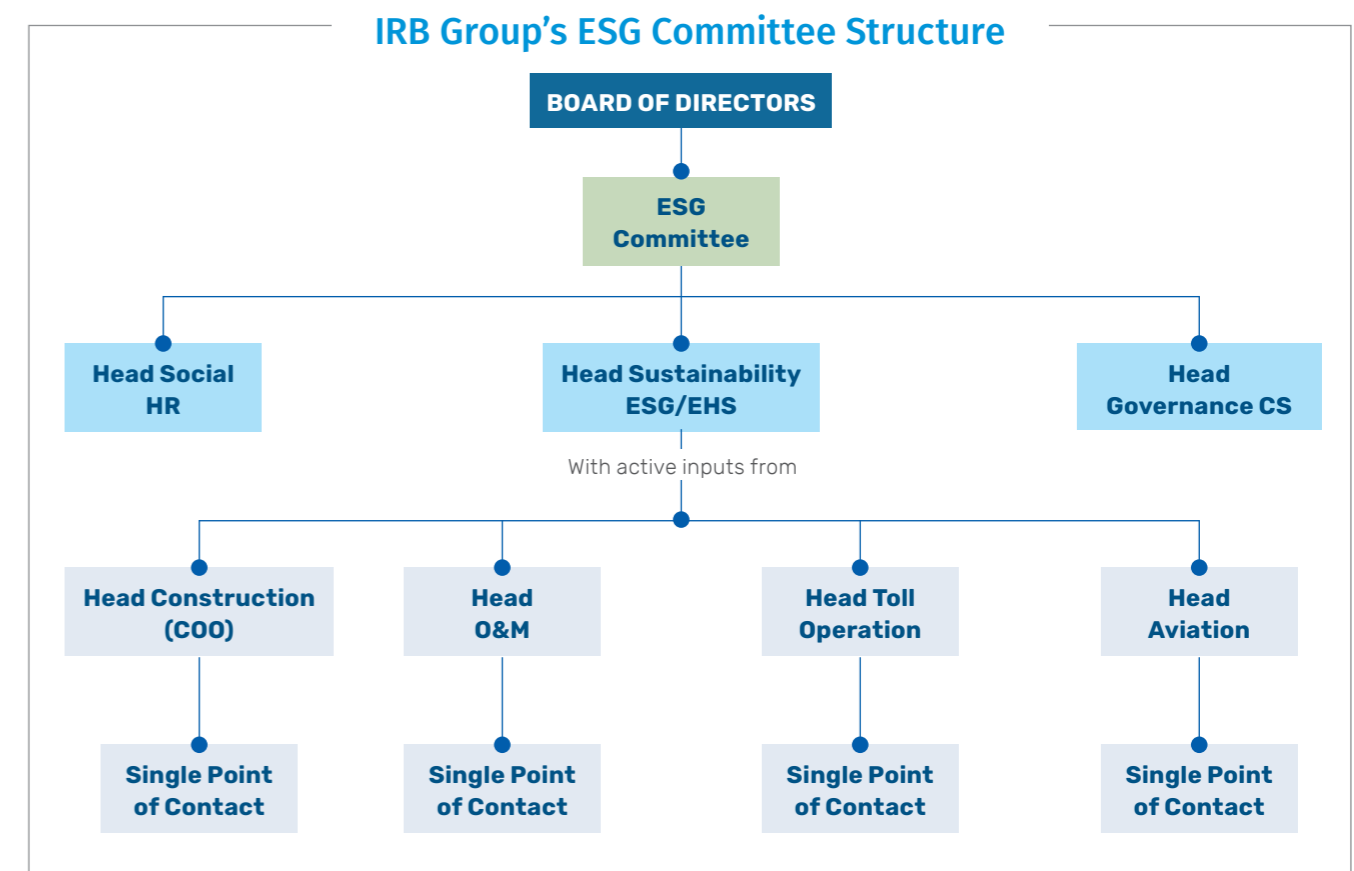
a transparent manner to maximise the long-term value of the stakeholders at large. IRB Group has adopted an appropriate governance framework to ensure timely and accurate disclosure on all material matters including the financial position, performance, ownership, and governance of the Company.

IRB Group has a robust governance policy in place which is Board-driven:



## IRB Group's ESG Committee Structure

We have a single-tiered ESG governance structure, playing an important role in promoting strong ethical, governance, and corporate citizenship standards. Our governance structure is focused on strategic supervision, management, control, and execution. The ESG committee is chaired by 3 senior level executives i.e. Head of Human Resources, Head of ESG/EHS and Head of Governance.



The IRB Group is committed to upholding ESG principles and creating a meaningful difference. We dedicatedly adhere to stringent standards and specifications set forth in Concession Agreements for highway construction projects.

SUSTAINABILITY

Social

We believe that our employees are our strength and work towards their development by conducting various training and awareness programs. We also conduct employee engagement activities by celebrating festivals (Diwali, Christmas, Makar Sankranti), national holidays (Republic Day) and international days (Women's Day) to keep the engagement levels of employees high. On the work front, we provide sustainable commuting solutions

through Highway concessions, saving time and ensuring safe travel. We also provide employment opportunities to local communities. Our excellent ratings from the National Highways Authority of India attest to our commitment to highway safety, efficiency, and user services. Guided by our Board, our CSR Policy supports education, healthcare, sports and gender equality initiatives.



- Set up IRB Schools in Rajasthan and Punjab to provide quality education free, with special focus on girl child.
- Awareness creation among nearby villages on socially and environmentally relevant topics such as tree plantation, water conservation, Road safety, plastic ban, etc. with the help of students studying in IRB schools.
- Participate in social events for a noble cause, viz. TATA Mumbai Marathon 2023 to support Women Empowerment in association with Population First (Laadli).
- Financial support for sports activities, sportsmen and artists.
- Promotion of educational and cultural activities in several engineering and educational institutions
- Promotion of Rural Healthcare facilities. Provided state-of-the-art mobile diagnostic centre for cancer screening, mammography, and vision restoration in the rural areas of Thane, Maharashtra.

**₹ 164.12 Million**  
Expenditure towards CSR in FY23

ESG Ratings of IRB

Sustainalytics Rating

Before Assurance of Sustainability Report

ESG Risk Rating

CORE

Ranking

44.5

Severe Risk

Industry Group (1st = lowest risk)  
Construction & Engineering **280** out of 351

Negligible	Low	Medium	High	Severe
0-10	10-20	20-30	30-40	40+

Universe  
**Global Universe** **14772** out of 15640

After release of Sustainability Report Assured by

ESG Risk Rating

CORE

Ranking

▲ 34.0

High Risk

Industry Group (1st = lowest risk)  
Construction & Engineering **97** out of 328

Negligible	Low	Medium	High	Severe
0-10	10-20	20-30	30-40	40+

Universe  
**Global Universe** **11884** out of 13000

▲ Score Improved! Ratings Improved!

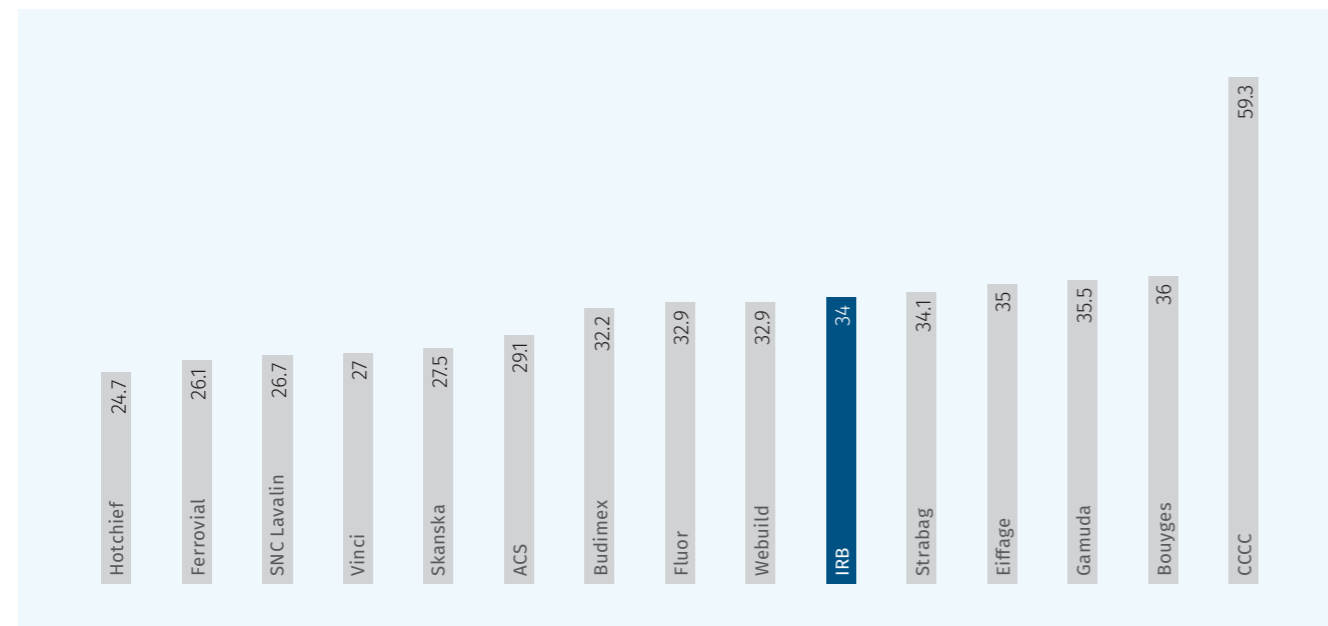


SUSTAINABILITY

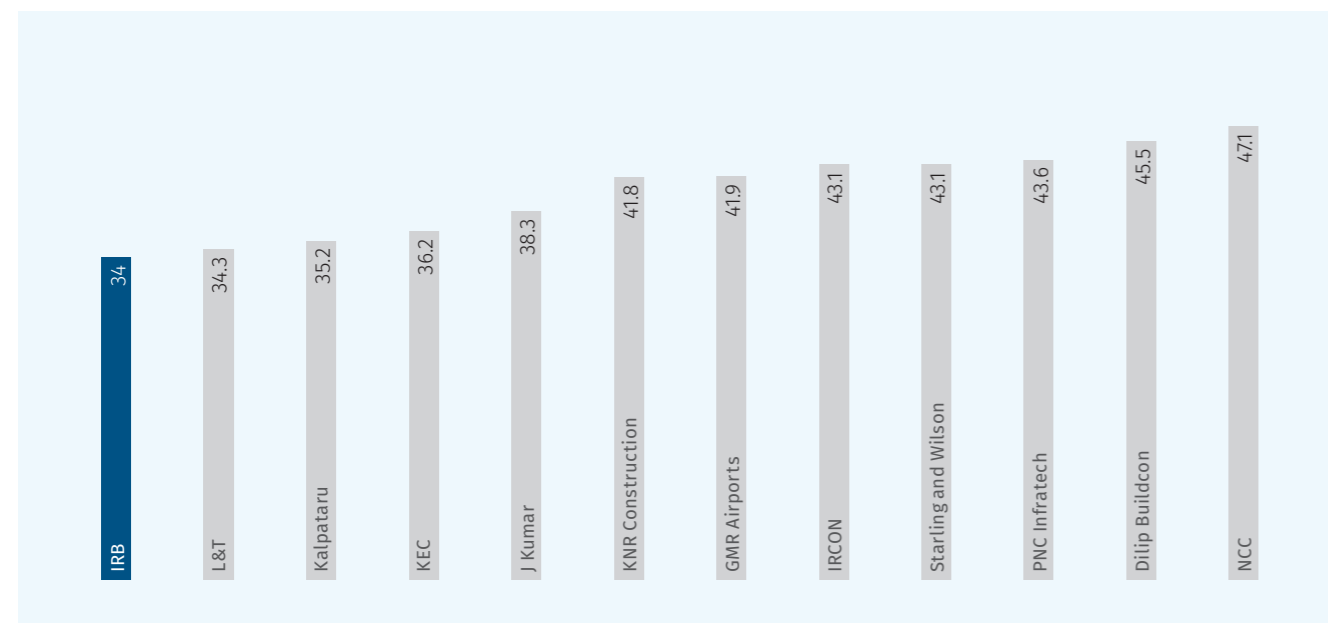
Name of the ESG Rating agency	Criteria	Current Year	Previous Year
S&P Global	Higher - Better	31	7
Sustainalytics	Lower - Better	34	44.5

Peer comparison based on Sustainalytics Score

Global Peers



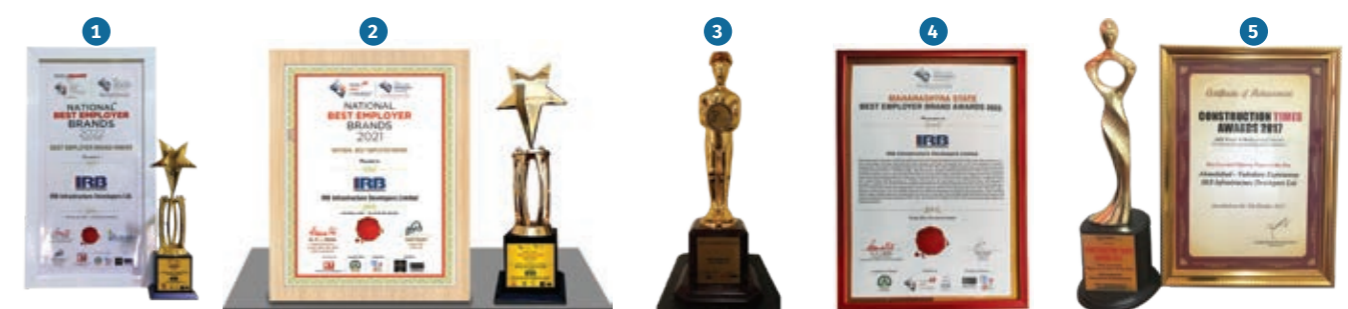
Indian Peers



AWARDS

# Achievements and awards

With an unwavering commitment to the growth and progress of our organisation, society, and nation, we at IRB are driven by a passion to make a positive impact in the world. Our projects and initiatives are a testament to this dedication, with every decision we make, aimed at bettering our communities and empowering our people. As a result of our tireless efforts, we have been recognised with numerous prestigious awards, affirming our position as a leader in India's infrastructure industry. At IRB, we are committed to creating a better future for all, one project at a time.



- 1 National Best Employer Brand**  
Award in Construction and Engineering, conferred at the World HRD Congress
- 2 National Best Employer Brand**  
in Infrastructure Sector for the years 2018, 2019 and 2021 and 2022 by the World HRD Congress
- 3 EPC Company of the Year 2018**  
Award conferred on by **EPC World**
- 4 Maharashtra State Best Employer Award 2022**
- 5 Construction Times Award 2023** for Udaipur-Shamlaji NH48 Project for the Best Highway Project of the Year
- 6 Pinnacle of Maharashtra Award 2021** on the occasion of Diamond Jubilee of the State of Maharashtra to Mr. Virendra D. Mhaikar, Chairman and Managing Director, IRB Group
- 7 Excellent Rating by NHA for 9 IRB Projects out of Top 10 Highway Projects** in India in 2020
- 8 Young Turk of the Year 2010**  
Award to Mr. Virendra D. Mhaikar, Chairman and Managing Director, IRB Group
- 9 CNBC TV18 Essar Steel Infrastructural Excellence Award 2018**
- 10 Industry Honour for "Outstanding Contribution in Roads & Highways" for Six Laning of NH-8 in the State of Rajasthan & Gujarat Project - Infra Category** during the 10th EPC World Awards 2023
- 11 ET Edge Achievers' Award 2018**  
to Mr. Virendra D. Mhaikar, Chairman and Managing Director, IRB Group
- 12 Finance Asia Achievement Award 2017** by Finance Asia, Hong Kong for listing and launching India's first InvIT and raising 50 Bn

## BOARD OF DIRECTORS

## Steering our vision together



**MR. VIRENDRA D. MHAISKAR**  
Chairman and Managing Director



**MRS. DEEPALI V. MHAISKAR**  
Whole Time Director



**MR. JOSE ANGEL TAMARIZ  
MARTEL GONCER**  
Non-Executive Director



**MR. RAVINDRA DHARIWAL**  
Non-Executive Director



**MR. CHANDRASHEKAR S. KAPTAN**  
Independent Director



**MR. SUNIL TALATI**  
Independent Director



**MR. SANDEEP J. SHAH**  
Independent Director



**MS. PRITI SAVLA**  
Independent Director

## MANAGEMENT TEAM

## Forerunners of growth

## Key Management Personnel

**MR. SUDHIR HOSHING**  
CEO, Execution

**MR. DHANANJAY JOSHI**  
CEO, Corporate

**MR. TUSHAR KAWEDIA**  
Group Chief Finance Officer

**MR. MEHUL PATEL**  
President, Corporate Affairs &  
Group Company Secretary

## Corporate

**MR. MADHAV KALE**  
Head, Corporate Strategy  
& Planning

**DR. PRASHANT SALGAONKAR**  
Group President,  
HR & Administration

**MR. ANIL YADAV**  
Director, Investor Relations

**MR. AJAY DESHMUKH**  
CEO, Acquisitions &  
New Businesses

**MS. POONAM NISHAL**  
President, Corporate Strategy

**MR. N. SANKAR NARAYAN**  
Head, Information Technology

**MR. VIVEK DEVASTHALI**  
Head, Corporate Communications

## Operations (Construction &amp; Toll)

**MR. M. P. NITYANAND**  
Director, Operations

**MR. JITENDER CHAUHAN**  
COO, Construction (North Zone)

**MR. LAXMAN SURVE**  
COO, Construction (West Zone)

**MR. RAJPAUL SHARMA**  
Dy. CEO

**MR. AMITABH MURARKA**  
Dy. CEO

**MR. NITIN BANSODE**  
Head, Toll Operations

**MR. SANJAY SHARMA**  
Head, O&M

**MR. SATISH PATKI**  
Head, Project Maintenance

**MR. J. P. NANDI**  
Dy. Head, Project  
Monitoring & Evaluation

▲ Gulabpura-Chittorgarh NH79





# Corporate Information

## Registered Office:

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## Compliance Officer & Nodal Officer for Investors Education & Protection Fund:

Mr. Mehul Patel

**CIN:** L65910MH1998PLC115967

## Corporate Office:

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## Bankers/Lenders:

- Aditya Birla Finance Limited
- Aseem Infrastructure Finance Ltd.
- Bank of Baroda
- Bank of India
- Bank of Maharashtra
- Canara Bank
- Central Bank of India
- HDFC Ltd.
- ICICI Bank
- IDBI Bank
- IDFC Bank
- IFCL Bank
- IIFCL
- Indian Bank
- India Infradebt
- Indian Overseas Bank
- L & T Finance Ltd.
- Punjab National Bank
- SBM Bank India Ltd.
- State Bank of India
- UCO Bank
- Union Bank of India

## Statutory Auditors:

M S K A & Associates  
Gokhale & Sathe

## Internal Auditors:

Suresh Surana & Associates LLP

## Auditors of Subsidiaries:

Gokhale & Sathe  
MKPS & Associates  
A J Kotwal & Co  
R K Dhupia & Associates  
Pawar Kuvadla and Associates

## Registrar & Transfer Agent:

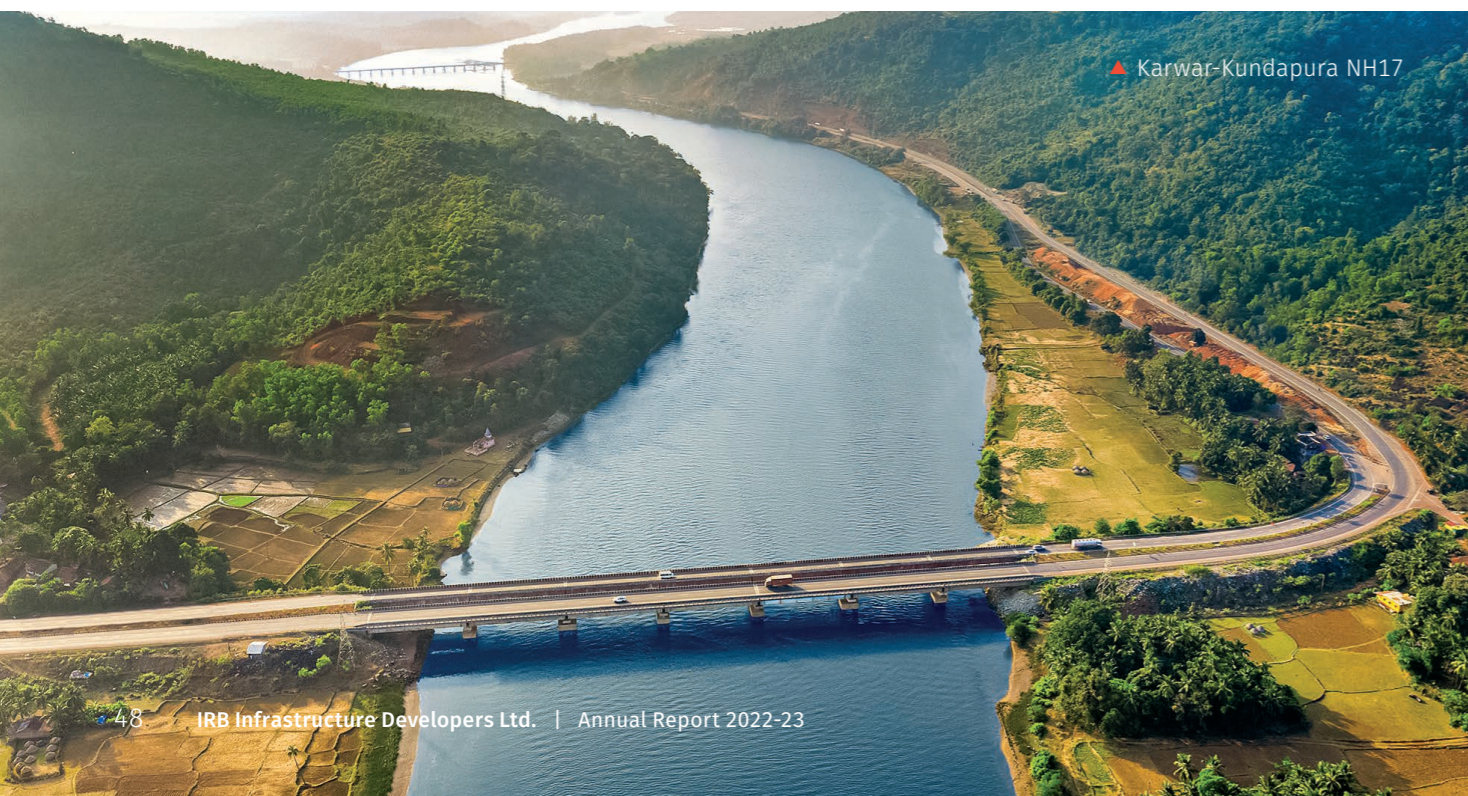
### KFin Technologies Limited

Registered & Corporate Office  
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▲ Karwar-Kundapura NH17



## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Industry Review

#### 1.1 India's infrastructure opportunity

Infrastructure sector is a key driver for the Indian economy. Growing urbanisation, demand for energy and financing needs for sustainable living pose a challenge for the infrastructural setup in the country. Infrastructure, and the lack of it, is envisaged as the primary growth constraint, while good infrastructure is widely recognized as an enabler of growth. In the coming era of supply chain disruptions, new technologies and reversal of financial deleveraging, infrastructure growth must keep pace with the need created for it. The sector is accountable for propelling India's overall development and garners intense focus from the government for introducing policies that would ensure time-bound formation of world-class infrastructure in the country. The opportunities in the sector have seen an incremental curve over previous years and are growing to establish the sector as a key driver in India's development story at a high rate. The Government of India has given a significant push for capital expenditures for key infrastructure sectors, especially highways. The total allocation for the highways sector has increased to ₹ 1.99 lakh crore from ₹ 1.18 lakh crore in the Union Budget for financial year 2022-23. (Source: Government of India, Ministry of Finance, Union Budget 2022-2023)

#### National Infrastructure Pipeline

In December 2019, the Government launched the National Infrastructure Pipeline (NIP), an investment plan unveiled by the Central Government for enhancing infrastructure in identified sectors is a first-of-its-kind exercise to provide world-class infrastructure effectively across the country and improve the quality of life for all citizens. NIP will enable a forward outlook on infrastructure projects which will create jobs, improve ease of living, and provide equitable access to infrastructure for all, thereby making growth more inclusive. NIP includes economic and social infrastructure projects.

It is envisaged that during the financial year 20-25, sectors such as energy (24%), roads (19%), urban (17%) and railways (12%) amount to 72% of the projected infrastructure investments in India, with a total capital expenditure projected at ₹ 111 lakh crores. The Centre (39%) and states (40%) are expected to have an almost equal share in implementing the NIP in India, followed by the private sector (21%). The roads sector is likely to account for 19% capital expenditure over financial year 2019-25.

The financial year 23 was a challenging year for India's infrastructure sector as the country was on the path of recovery from the impact of the COVID-19 pandemic distress coupled with strain on India's economic prospects due to Russia-Ukraine conflict. The Government of India announced the Union Budget for financial year 23 which also focused on the NIP since it will require a major

increase in funding both from the government and the financial sector, the finance ministry has proposed to take three concrete steps to boost the NIP. Firstly, through institutional structures; Secondly, by a big thrust on monetising assets, and thirdly by enhancing the share of capital expenditure in central and state budgets.

Out of the total expected capital expenditure of ₹ 111 lakh crores, projects worth ₹ 44 lakh crores (40% of NIP) are under implementation, projects worth ₹ 33 lakh crores (30%) are at conceptual stage and projects worth ₹ 22 lakh crores (20%) are under development.

#### Pradhan Mantri (PM) Gati Shakti National Master Plan (NMP)

The seven drivers of PM Gati Shakti are Roads, Railways, Airports, Ports, Mass Transport, Waterways and Logistics Infrastructure. The scope of PM Gati Shakti National Master Plan will encompass all seven drivers for economic transformation, seamless multimodal connectivity and logistics efficiency. The projects in the National Infrastructure Pipeline will be aligned with the PM Gati Shakti framework. The PM Gati Shakti master plan for expressways will be formulated in 2022-23 to facilitate faster movement of people and goods. The National Highways network will be expanded by 25,000 km in 2022-23. (Source: Highlights of the Union Budget 2022-23, February 1, 2022)

Gati Shakti program has consolidated a list of 81 high impact projects, out of which road infrastructure projects were the top priority. The major highway projects include the Delhi-Mumbai expressway (1,350 kilometres), Amritsar-Jamnagar expressway (1,257 kilometres) and Saharanpur-Dehradun expressway (210 kilometres). The main aim of this program is a faster approval process which can be done through the Gati Shakti portal and digitized the approval process completely.

#### 1.2 Road and highway sector

India has the second-largest road network in the world, spanning a total of 6.3 million kilometers (kms). This road network transports 64.5% of all goods in the country and 90% of India's total passenger traffic uses road network to commute. Road transportation has gradually increased over the years with improvement in connectivity between cities, towns and villages in the country.

According to the Ministry of Road Transport and Highways (MoRTH), Financial Year 2022-23 was the year of consolidation of the gains that accrued from major policy decisions taken in the previous eight years, a time for monitoring of ongoing projects, tackling road blocks and adding to the already impressive pace of work achieved during the past years. During the year, the MoRTH and its associated organizations have expanded the national highways network in the country,

taking various steps to make these highways safe for the commuters and making best efforts to minimize adverse impact on the environment. As a result, over the last eight years, length of National Highways has gone up by 48.12% from 97,830 km (financial year 2014-15) to 1,44,955 km (as on March 31, 2023) out of the set target of 2,00,000 kms for 2024-25. (Source: MoRTH press release titled "Year End Review 2022: Ministry of Road Transport and Highways" dated January 04, 2023 and MoRTH Annual Report 2022-23).

The MoRTH has envisaged an ambitious highway development programme Bharatmala Pariyojana which includes development of about 65,000 km NHs. Under Phase-I of Bharatmala Pariyojana, the MoRTH has approved implementation of 34,800 kms of NHs in five years (2017-18 to 2021-22) with an outlay of ₹ 5,35,000 crores.

The programme focuses on optimising efficiency of freight and passenger movement across the country by bridging critical infrastructure gaps through effective interventions like development of Economic Corridors, Inter Corridors and Feeder Routes, National Corridor Efficiency Improvement, Border and International Connectivity roads, Coastal and Port Connectivity roads and Green-field expressways. Multi-modal integration is also built into this program. This includes 5,000 km of the national corridors, 9,000 km of economic corridors, 6,000 km of feeder corridors and inter corridors, 2,000 km of border roads, 2,000 km of coastal roads and port connectivity roads and 800 km of green field expressways. Phase I will also subsume 10,000 km of balance roadworks under the NHDP.

**Bharatmala Pariyojana:** This is the umbrella program for the highways sector that aims to optimize the efficiency of road traffic movement across the country by bridging critical infrastructure gaps. The Phase I of the Bharatmala Pariyojana approved in October 2017, focuses on development of 34,800 km of National Highways. The Pariyojana emphasized on a "corridor based National Highway development" to ensure infrastructure symmetry and consistent road user experience. The key components of the Pariyojana are Economic Corridors development, Inter-corridor and feeder routes development, National Corridors Efficiency Improvement, Border and International Connectivity Roads, Coastal and Port Connectivity Roads and Expressways.

The Bharatmala (approved for estimated cost of ₹ 6,92,324 crore including other ongoing schemes) is to be funded from CRIF Cess (₹ 2,37,024 crore) collected from Petrol & Diesel (as per Central Road & Infrastructure Fund Act, 2000, erstwhile CRF Act, 2000), amount collected from toll remittances (₹ 46,048 crore) apart from additional budgetary support (₹ 59,973 crore), expected monetisation of NHs through TOT (Toll-Operate-Transfer) (₹ 34,000 crore), Internal & Extra Budgetary Resources (IEBR) (₹ 2,09,279 crore) and Private Sector Investment (₹ 1,06,000 crore) as per Financing Plan upto 2021-22.

However, due to increase in the project cost as well as cost of land acquisition, the revised financial proposal for the Bharatmala Pariyojana is under process for approval. The status of various components of Bharatmala Pariyojana Phase-I and other schemes up to December 31, 2022 are as under:

Sr. No.	Components	Total Length in km	Total Length Completed up to 31.12.2022 in km
1.	Economic corridors development	9,000	3,155
2.	Inter-corridor and feeder roads	6,000	1,381
3.	National Corridors Efficiency improvements	5,000	1,412
4.	Border and International connectivity roads	2,000	1,213
5.	Coastal and port connectivity roads	2,000	93
6.	Expressways	800	779
	<b>Subtotal</b>	<b>24,800</b>	<b>8,033</b>
7.	Balance road works under NHDP	10,000	3,756
	<b>Grand Total</b>	<b>34,800</b>	<b>11,789</b>

(Source: MoRTH Annual Report for Financial Year 2022-23)

Under Phase-1, about 23,500 km. has been awarded and about 11,400 km. has been completed. The balance projects are targeted for award by Financial Year 2024-25.

According to the MoRTH Annual Report 2022-23, Bharatmala Pariyojana envisages 60% projects on Hybrid Annuity Mode (HAM), 10% projects on BOT (Toll) Mode and 30% projects on EPC mode respectively. Total aggregate length of 25,713 km with a total capital cost of ₹ 7,81,845 crore have been approved and awarded till date under Bharatmala Pariyojana (including 6,649 km length of residual NHDP with a total capital cost of ₹ 1,51,991 crore). Out of the total approved 25,713 km, an aggregate length of 14,317 km have been approved on EPC mode, an aggregate length of 10,989 km on Hybrid Annuity Model (HAM) mode and an aggregate length of 408 km on Build operate transfer (BOT) (Toll) mode [EPC: HAM: BOT:: 56%:42%:2%]. (up to December 31, 2022). (Source: MoRTH Annual Report 2022-23).

Out of the 24,800 km approved under Bharatmala Pariyojana Phase-I, total length of 18,348 km have been awarded upto December 31, 2022. Similarly, out of the residual NHDP component to be completed under Bharatmala Phase-I, a total length of 6,412 km have been awarded upto December 21, 2022. (Source: MoRTH Annual Report 2022 23).

MoRTH placed target of 14,300 km for award and 12,200 km for construction in the financial year 2022-23 to provide a boost to infrastructure development and enable it to overcome the impact of Covid-19 and global conflict due to Russia –Ukraine war.

#### Details of National Highway length constructed per day during last five financial years are as follows:

Year	Length in Km	Pace (Km per day)
2016-17	8,231	22.55
2017-18	9,829	26.93
2018-19	10,855	29.74
2019-20	10,237	27.97
2020-21	13,327	36.51
2021-22	10,457	28.64

(Source: Year End Review- 2022: MoRTH)

The MoRTH achieved the record-breaking milestone of constructing ~37 km highways per day in the Financial Year 2020-2021. The pace of National Highway construction had slowed to 28.64 km a day in 2021-22, due to pandemic-related disruptions and a longer-than-usual monsoon in some parts of the country. However, in order to provide a boost to infrastructure development and enable it to overcome the impact of COVID-19 pandemic, the MoRTH has increased the annual project award by 42% in the past four years from 8,948 km in financial year 2019-2020 to 12,731 km in Financial Year 2021-2022.

### 1.3 Growth Drivers

To accelerate the pace of construction, several initiatives have been taken to revive the stalled projects and expedite completion of new projects:

- Identification of Model National Highway in the state for development by the government.
- Streamlining of land acquisition and acquisition of major portion of land prior to invitation of bids.
- Award of projects after adequate project preparation in terms of land acquisition, clearances etc.
- Disposal of cases in respect of Change of Scope (CoS) and Extension of Time (EoT) in a time bound manner.
- Procedure for approval of General Arrangement Drawing for ROBs simplified and made online.
- Close coordination with other Ministries and State Governments
- One-time fund infusion
- Regular review at various levels and identification/removal of bottlenecks in project execution
- Proposed exit for Equity Investors

- Securitization of road sector loans
- Disputes Resolution mechanism revamped to avoid delays in completion of projects.
- As an integral part of Atmanirbhar Bharat, the various relief measures have been taken by the MoRTH for providing relief to Contractors/ Developers/ Concessionaires of Road Sector from the impact of COVID, subsequent lockdown and other measures taken to prevent spread of COVID.
- The several steps undertaken by the Government under Atmanirbhar Bharat includes granting time extensions for 3 to 9 months, relaxation in contract provisions for ensuring cash flow, direct payment to sub-contractors and release of retention/security money to augment cash flow, waiver of penalty in case of delay in submission of Performance Security (for new Contracts), to expedite the construction work to achieve the target.
- Mandatory Electronic toll collection through FASTag with effect from February 15, 2021.
- For faster settlement of claims through conciliation and reduce liabilities, NHA has rigorously started the process of conciliation by constituting three Conciliation Committees of Independent Experts (CCIE) of three members each.
- In addition, there are a few more initiatives that will drive growth for the infrastructure sector in India:

**Massive infrastructure push:** The Union Budget has given much-needed impetus to infrastructure development which could reduce trade and transaction costs and improve factor productivity. Moreover, the focus on roads and railways will create a unified market in India for seamless movement of goods and human resources. The Government of India has given a massive push to the infrastructure sector. The total budgetary outlay increased by 68.59 %, from ₹ 1,18,101 crores in financial year 2021-22 to ₹ 1,99,107 crores for the financial year 2022-23.

**NH expansion:** PM Gati Shakti Master Plan for Expressways will be formulated in 2022-23 to facilitate faster movement of people and goods. The National Highways network will be expanded by 25,000 km in 2022-23. Length of national highways to reach 200,000 km.

**Growing demand:** With the increase in consumer demand and nuclear families, need for two-wheelers and compact cars have been on the rise and is expected to grow even further. The market for roads and highways in India is projected to exhibit a CAGR of 36.16% during 2016-2025, on account of growing government initiatives to improve transportation infrastructure in the country. Almost 40% (824) of the 1,824 Public-Private Partnerships (PPP) projects awarded in India until December 2019 were related to roads.

**Government initiatives:** The government has tried to improve the rate of awarding over the years. HAM has seen a significant share of awarding recently, which is expected to increase going forward.

The major initiatives undertaken by the Government such as National Infrastructure Pipeline (NIP) and the PM Gati Shakti National Master Plan will raise productivity, and accelerate economic growth and sustainable development. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. All seven engines will pull forward the economy in unison. The projects pertaining to these 7 engines in the NIP will be aligned with PM Gati Shakti framework. The major initiatives undertaken by MoRTH are described under:

1. MoRTH, through its implementing agencies NHA / NHML and NHIDCL has kept pace with the work of implementing of 35 Multi-Modal Logistics Parks (MMLPs) Projects identified for development under Bharatmala Pariyojana - Phase I.
2. MoRTH developed a comprehensive Port Connectivity Masterplan to ensure adequate last-mile connectivity to all the operational/UI ports in the country. As part of the Masterplan, connectivity requirements of all the operational and under implementation ports were assessed and connectivity projects were identified. The 59 projects (1,249 km) will be taken up under PM Gati Shakti National Master Plan for improving last mile connectivity to ports in the country.
3. In order to improve the comfort and convenience of the highway users, the Ministry has planned development of state-of-the-art Way Side Amenities (WSA) at approximately every 40 kms along the National Highways.
4. Launch of Surety Bond Insurance: MoRTH launched India's first-ever Surety Bond Insurance product from Bajaj Allianz on December 19, 2022. With this new instrument of Surety Bonds, the availability of both liquidity and capacity will be boosted, and the infrastructure sector will be strengthened.
5. Relief for Contractors/Developers of the Road Sector in view of the COVID-19 Pandemic. The MoRTH has extended reliefs/extension to relief granted to the Contractors / Developers of the Road Sector in view of the COVID-19 pandemic.
6. In order to ensure seamless movement of traffic through fee plazas and increase transparency in collection of user fee using FASTag, the National Electronic Toll Collection (NETC) programme, the flagship initiative of MoRTH, has been implemented on pan-India basis. FASTag implementation has also

reduced the wait time at National Highway fee plazas significantly, resulting in enhanced user experience. In order to ensure that the payment of fees at Toll Plazas is through Electronic means only and vehicles pass seamlessly through the Fee Plazas, the FASTag drive has been very well supported by the highway users as it has achieved over 95% penetration with more than three crore users in the country.

7. MoRTH brought out changes in the Model Concession Agreement (MCA) & Request for Proposal (RFP) of the Road Construction Models such as HAM and BOT (Toll).
    - i) Much needed changes have been made in the relevant clauses of the model RFP and MCA of the HAM project to allow the Lowest Quoted Bid Project Cost (BPC) as the basis for awarding the HAM Project and O&M cost to be fixed as being done in EPC projects. It will now bring out the winner immediately after the opening of financial bids in a transparent manner as in EPC mode of bidding.
    - ii) Changes have been made in the relevant clauses of the Model Concession Agreement of the BOT (Toll) project permitting the change of ownership from existing 2 years to 1 year after the Commercial Operation Date (COD). This move will free the equity/funds of construction companies for taking up other projects.
  8. In November 2020, the MoRTH in modified the change in ownership clause in the Hybrid Annuity Mode ("HAM") projects and permitted the bidders/ consortium members to dilute their equity after a period of six months from the commercial operations date ("COD"). Prior to the relaxation, the concessionaire/bidders/consortium members had to retain their equity for a period of two years from COD. Further, MoRTH in May 2022 approved changes in the model concession agreements of Build-Operate-Transfer projects and permitted the change of ownership from the existing two years to one year after COD/issuance of completion certificate and completion of punch list items.
- Increasing investments:** With the Government permitting 100% Foreign Direct Investment (FDI) in the road sector, several foreign companies have formed partnerships with Indian players to capitalise on the sector's growth.

### 1.4 Opportunities

Here are some trends that are ensuring seamless travel, better infrastructure and connectivity:

- **Electronic toll collection:** National Electronic Toll Collection (FASTag) programme, the flagship initiative of MoRTH and NHAI, has been implemented on pan-India basis to remove bottlenecks and ensure seamless movement of traffic and collection of user fee as per the notified rates, using passive Radio Frequency Identification (RFID) technology which is made compulsory with effect from February 15, 2021.
- **Different models:** The type of PPP models used in road projects BOT toll, TOT and HAM. The government has already started developing new, flexible policies to create investor-friendly highway development initiatives by monetising highway assets under TOT mode. The next fiscal year is likely to witness an increase in private participation by award of contracts under the BOT, TOT and HAM model.
- **FDI in roads:** 100% Foreign Direct Investment (FDI) is allowed under the automatic route in the road and highways sector. The Government aims to boost corporate investment in roads and shipping sector, along with introducing business-friendly strategies, which will balance profitability with effective project execution. According to the data released by Department for Promotion of Industry and Internal Trade Policy (DPIIT), Cumulative FDI inflows in construction development stood at US\$ 26.3 billion between April 2000-December 2022. In financial year 2021-22 (until November 2021), the private sector invested ₹ 15,164 crore (US\$ 1.98 billion) in roads. Cumulative FDI in construction development (includes Townships, housing, built-up infrastructure and construction-development projects) stood at US\$ 25.93 billion between April 2000 and September 2020. The Government's move to cut GST rates on construction equipment from 28% to 18% is expected to give boost to the industry.

**Asset Monetization:** The National Highways Authority of India (NHAI) has drawn up an ambitious plan to monetize 46 operational highway stretches of total length of 2,612 kms in the Financial Year 2023-24 through TOT/ InvIT mode to beef up resources for its road building program.

**Other favourable policies:** These include 100% exit policy for stressed BOT players, providing secured status for PPP projects while lending, and proposal to scrap slow-moving highway projects, among others.

## 1.5 Outlook

India's infrastructure sector is rapidly evolving and the key trends demonstrate positivity and optimism. The market for roads and highways in India is projected to exhibit a CAGR of 36.16% during 2016-2025, on account of growing Government initiatives to improve transportation infrastructure in the country. For the period of 2016-17 to 2021-22, the CAGR stands at 20%.

The highways sector in India has been at the forefront of performance and innovation. The government is committed towards expanding the National Highway network to 2 lakh kilometres by 2025 emphasizing the construction of the World Class Road infrastructure in time bound & target oriented way. India has a well-developed framework for Public-Private-Partnerships (PPP) in the highway sector. The Asian Development Bank ranked India at the first spot in PPP operational maturity and also designated India as a developed market for PPPs. The Hybrid Annuity Model (HAM) has balanced risk appropriated between private and public partners and boosted PPP activity in the sector. In the recent past, the BOT projects have witnessed renewed interest from private players, therefore it is envisaged that the NHAI may come out with more tenders on BOT mode in the coming year. Asset recycling, through the TOT model has also been taken up by the NHAI and other State Government agencies.

The second phase of the Government of India's Bharatmala programme has been announced for launch 5,000 km worth of projects are expected to be constructed under the aegis of this programme and Detailed Project Reports (DPRs) are being prepared prior to the approval of the projects so as to speed up the implementation process. In order to facilitate seamless travel between important economic centres, Bharatmala Phase-2 seeks to improve connectivity to a number of infrastructure projects, including multi-modal logistics parks (MMLPs) and under-construction expressways. The new phase would also take up the construction of highways that decongest existing roads, ring roads around major industrial centres and bypasses. The simultaneous implementation of phase-II projects will help in operationalising the remaining projects under phase-I, which is now scheduled to be completed by 2027.

## 2. Company and business overview

### 2.1 Company Overview

The Company is among India's leading and the largest integrated infrastructure developers, specializing in roadways and highways. It enjoys robust in-house integrated project execution capabilities — Engineering, Procurement and Construction (EPC) and Operation and Maintenance (O&M) — across all its business verticals like Build Operate Transfer (BOT), Toll-Operate-Transfer (TOT) and Hybrid Annuity Model (HAM).

The Company is a pioneer in the road BOT business. It is India's largest road BOT operator with a rich portfolio of 24 projects, including 18 BOT, 2 TOT and 4 HAM projects through the parent company and 2 InvITs. Operation and Maintenance of all projects is carried out by parent company. The Company also has the largest TOT — Mumbai-Pune Expressway — to its credit. The company's TOT portfolio aggregates to 37% of the total TOT market share of TOT projects awarded in India. Altogether, it

has ~20% share of the prestigious Golden Quadrilateral Highway Network which connects four metro cities of India i.e. Mumbai, Delhi, Chennai and Kolkata.

Over the years, the Company has developed rich in-house expertise in both its EPC and O&M verticals. The Company's clients primarily comprise government authorities. Today, the IRB Infra is the only integrated Highways development platform in India providing a compelling business visibility for almost 3 decades through the projects under O&M in its umbrella and catering to the investors with diverse risk appetite through parent company and the two Investment Trusts (InvITs). The group has three listed entities which caters to various kind of investors

1. Public InvIT - Investors seeking stable yield
2. Private InvIT - Its development platform for IRB Group for BOT and TOT Projects and has tied up with long term investor, GIC affiliates - Sovereign wealth fund of Singapore (49% partner).
3. The company- Investor seeking regular dividend and capital appreciation.

The Company, at this juncture of time, has reached the status of being fully integrated multi-national player with global marquee strategic investors on board and possesses rich in-house domain expertise and experience in designing, construction, operations, maintenance and tolling. With its own equipments and machinery bank, the Company has the ability to undertake world class quality construction of 500 to 600 kms at any given point of time. The investments by our global partners has opened the avenues of introducing world class technology and best industry practices in our operations while making available ready access to capital for growth. The Company, through its well devised policies in place has imbibed efficient O&M practices by deploying advanced technologies and systems with a strong focus on sustainability aspect.

On a per lane kms basis, IRB's geographic spread is 18% in Maharashtra, 19% in Rajasthan, 15% in Uttar Pradesh, 18% in Gujarat, 10% in Karnataka, 5% in Haryana, 3% in Punjab, West Bengal and Tamil Nadu, 1% in Himachal Pradesh and 9% in Telangana.

The Infrastructure Investment Trusts (InvITs) are new avenues available in the market for Investors, which have been designed to pool money from various investors for investing in revenue generating assets. The Company has two listed InvITs, one Public InvIT and another Private InvIT. Further, incase of Private InvIT 49% owned by Government of Singapore affiliates, where the Company is playing dual roles, i.e., a Sponsor to the InvIT and Project Manager; thus, utilizing its strengths for enhancing Stakeholders' interests.

Public InvIT is the platform, where Company is offering the economically stabilized projects; whereas, the Private InvIT is a development platform for the company & the company intends to execute BOT and TOT Projects through this platform. This brings down the equity contribution of the company to these projects and further increases the appetite for more projects.

## 2.2 Business Overview

### 2.2.1 Construction and development (EPC)

Over the period of two and half decades IRB has successfully managed more than 17,200 Lane Kms of highways on BOT, TOT and HAM basis, which include lane kms constructed, operated, maintained and tolled and handed over back to the nodal agency on concluding the stipulated concession period.

Of these 17,200 Lane Kms, 13,739 Lane Kms are currently under Execution, O&M and Tolling and rest 3,461 Lane Kms were handed over back to the respective nodal agencies on successful completion of the respective Concession. Company has successfully completed and handed over back to the nodal agency, 12 BOT Concessions in last two and half decades, the largest by any Indian private highways infrastructure developer.

Out of the 13,739 Lane Kms, 7,156 Lane Kms are operational and 1,706 Lane Kms are under development in Private InvIT Assets portfolio; 2,421 Lane Kms are being operated under Public InvIT Assets on BOT and HAM basis. IRB acts as a project manager for both the InvITs. Balance 2,456 Lane Kms are under the parent Company on BOT, TOT and HAM basis. Out of which, 2001 Lane Kms are operational and 455 Lane Kms are under development phase.

The portfolio comprises approximate 20% share in India's prestigious Golden Quadrilateral Project that connects India's four key megapolis, Viz. Delhi, Mumbai, Chennai and Kolkata.

The Company has an integrated approach towards project execution and involves development, in-house construction, as well as O&M activities through the concession life. It owns a range of advanced equipment and skilled workforce that enables it to complete projects within set time and budget. The expert talent pool also helps the organization manage its entire tolling and maintenance functions in-house. Besides, it's state-of-the-art IT infrastructure strengthens its integrated business model.

Taking forward the growth momentum, Company bagged two projects, i.e., the upgradation project for 6 laning of NH27 from Samakhiali to Santalpur having a project cost of ₹ 2,132 crores and concession life of 20 years on BOT basis from NHAI in the state of Gujarat. The project will

be funded by debt of approximately of ₹ 1,400 crores and balance through equity and internal accruals (IRB's share of equity is less than ₹ 350 crores).

The second award is for a prestigious project in the state of Telangana. The scope encompasses TOT for the Hyderabad Outer Ring Road (ORR) project comprising an 8-lane highway, starting at kilometer 0 at Narsingi junction and ending at kilometer 158 at Gachibowli in Hyderabad, in the state of Telangana on upfront payment of ₹ 7,380 crores for a concession period of 30 years. The total Project cost will be around ₹ 8,362 crores which will be funded by debt of ₹ 5,500 crores and balance through equity of ₹ 2,862 crores. Since the project is to be executed through the Private InvIT, IRB's share will be close to ₹ 1,460 crores and the balance will be contributed by our financial partner (GIC).

The aggregate enterprise value of assets managed by the Parent Company and its two InvITs is around ₹ 70,000 Crores.

IRB expects to earn a robust construction EBITDA margin from execution of these projects. IRB strengthened its order book to end FY 2023 at ₹ 205,723 million. Of this, the construction EPC order book of ₹ 88,050 million would be executed over the next two or three years.

During the financial year, IRB received the Appointed Date for Pathankot Mandi HAM project in Himachal Pradesh, Chittoor Thachur HAM project in Tamil Nadu and Meerut Budaun Expressway BOT project that parts Ganga Expressway Group 1 project, an eight lane greenfield expressway in Uttar Pradesh and has commenced construction on all these projects.

On the project completion front, the Company has successfully achieved completion for all the nine projects which were transferred to the Private InvIT in the initial phase. Following completion of the Kishangarh-Gulabpura and Hapur-Moradabad projects, the toll rates for these SPVs have seen an increase of 78% and 65% respectively. Further, the Vadodara Kim HAM Project was one of the first projects to achieve completion which is the part of the prestigious upcoming Delhi Mumbai Greenfield Expressway. As part of our asset monetization strategy for HAM Projects, we have concluded the sale of VK1 project during this financial year and we have received consideration of ₹ 342 crores for equity which is close to 1.2 times of equity invested.

## 2.2.2 Toll O&M

In FY23, the aggregate toll revenue of IRB Infra and its two InvITs is ₹ 5,230 Crores versus ₹ 4,762 Crores in FY22; thus registering a robust growth of 10%. It needs to be appreciated that in today's scenario, Toll Revenue is one of the parameters to determine and measure the trend of economic growth of the region, as it reflects the Traffic Growth on the particular highway corridor in that region. In view of this, Company's toll revenue across

all projects have witnessed and reflected the continued traffic growth, which is in line with the macro-economic indicators and demonstrates that its projects part India's prime economic corridors. Further, In general, WPI linked toll tariffs provides a natural hedge against interest rate hikes (e.g., Tarrif for Ahmedabad Vadodara & 9 assets of Private Invit increased by 10% from April 2022).

## 2.2.3 Sponsor of IRB InvIT Fund

IRB launched India's first public InvIT, IRB InvIT Fund, in May 2017 and continues to act as the sponsor and the project manager.

Initially, it transferred six assets at the time of IPO in May 2017 and seventh asset in September 2017. IRB owns 16% stake in the Trust, as on March 31, 2023. During the fiscal, Company received total distribution of ₹ 80.2 Crores, of which ₹ 50.1 Crores were received as interest and ₹ 30.1 Crores as return on capital. During the year, we have added a new HAM asset to the portfolio, Viz., Vadodara Kim (VK1), which parts the upcoming Delhi Mumbai Greenfield Expressway and was first to be commissioned on the stretch.

## 2.2.4 Sponsor of IRB Infrastructure Trust

IRB sponsored a private InvIT viz. IRB Infrastructure Trust in August 2019 and continues to act as the sponsor and the project manager.

IRB had initially transferred nine of its BOT assets into the Private InvIT in which IRB continues to hold stake of 51% while GIC affiliates hold balance 49% stake and infused more than ₹ 4,000 crores for initial 9 assets. We have added 10<sup>th</sup> BOT asset later to the portfolio. As on today, the portfolio spans across 8,862 Lane Kms, of which 7,156 Lane Kms are operational and 1,706 Lane Kms are under development phase in the States of Haryana, Uttar Pradesh, Rajasthan, Maharashtra, West Bengal and Karnataka. All 10 assets in the portfolio are revenue-generating assets.

Further, the private InvIT got itself listed on the National Stock Exchange in line with SEBI InvIT Regulations, which mandates listing of all InvITs. With listing, it became the first Private InvIT listed on the National Stock Exchange after the regulator SEBI's guidelines on listing framework for the non-listed InvITs came into force during the fiscal. The listing made Trust, the third entity of the Company to get listed on the Stock Exchange. The idea behind listing of the Trust was to have better disclosure norms and bring more transparency and achieve highest standards of the Corporate Governance. In the last 4 years the project portfolio of the Trust has made stupendous progress and has achieved a size of almost 28,734 Crores Enterprise Value for 10 assets as on March 31, 2023 with balance concession life of ~21 years. The valuation of trust units

was determined basis third party independent valuer and further endorsed by Trusts' investors as well.

## 3 Financial Analysis

Debt from project lenders are the major source of funding for BOT Projects. These projects are funded normally in the ratio of 70:30 debt to equity. The project lenders have reposed trust in the Company's financial strength, demonstrated by healthy growth in internal accruals and net worth. Besides, they have also shown faith in the Company's project execution capabilities. This trust of the project lenders has played a primary role in helping IRB achieve the required financial closures ahead of the schedule.

The total consolidated income for FY23 stood at ₹ 67,033 million as against ₹ 63,554 million in FY22 registering a growth of 5%. The consolidated toll revenues for FY23 has increased to ₹ 21,229 million from ₹ 18,768 million FY22 registering a growth of 13%. The consolidated construction revenues for FY23 has increased to ₹ 45,804 million as against ₹ 44,786 million in FY22 registering a growth of 2%.

EBITDA for FY23 increased to ₹ 35,307 million from ₹ 33,492 million in FY22 registering a growth of 5%.

Interest costs has decreased to ₹ 15,146 million in FY23 from ₹ 18,906 million in FY22 decreased by 20%.

Depreciation has increase to ₹ 8,321 million in FY23 as against ₹ 6,828 million in FY22 increased by 22%.

PBT has increased to ₹ 11,840 million in FY23 from ₹ 7,759 million in FY22, registering a growth by 53%.

PAT after share of loss from JV has increased to ₹ 7,200 million in FY23 from ₹ 3,614 million in FY22, registering a growth by 99%.

Earnings per share on basic and diluted basis excluding extraordinary income increased to ₹ 1.19 for FY23 from ₹ 0.87 in FY22, registering a growth of 37%.

### Key Financial Ratios

Particulars	2022-23	2021-22
Return on Net Worth (%)	5%	3%
Return on Capital Employed (%)	9%	9%
Debtor turnover ratio	2.86	4.25
Inventory turnover ratio	1.36	1.47
Interest coverage ratio (in times)	2.79	2.01
Current ratio (in times)	1.62	1.78
Debt Equity ratio	0.99	1.11
Net Debt to Equity ratio	0.75	0.90
Operating Profit Margin (%)	50%	48%
Net profit margin (%)	11%	6%

## 4 Key Competitive Advantage

IRB's competitive edge stems from the following:

- Proven track record of completing all phases of BOT projects in the highway sector within timeline
- Robust order book of ₹ 205,723 million as on March 31, 2023
- Market leader with the largest domestic portfolios in the roads and highways sector
- Strong financial track record; healthy relationships with leading banks/financial institutions
- Integrated and efficient project execution, supported by a comprehensive equipment pool
- Professionally managed Company with a qualified and skilled employee base
- One of the few infrastructure companies to have successfully implemented SAP
- One of the leading global sovereign funds as a long-term partner for 49% stake in Pvt InvIT

## 5 Risks and Challenges

The Company's ability to foresee and manage business risks is crucial to its efforts to achieve favourable results. Although management is positive about the Company's long-term outlook, it is subject to a few risks and uncertainties, as discussed below:

### 1. Competition risk

Attractive growth opportunities exist in the road construction sector, especially with the government going full throttle on infrastructure development with the Bharatmala Pariyojana. This may increase the number of players operating in the industry. However, the Company is confident about retaining its competitive edge, backed by its industry-leading experience in the roads and highways sector. Further, the Company has carved out a niche in the BOT segment. Higher competencies including financial strength required for this segment create entry barriers, thereby limiting competition. As a prudent strategic initiative, IRB will continue to bid for projects based on their financial, operational and execution viability.

### 2. Availability of capital and interest rate risk

Infrastructure projects are typically capital intensive and require high levels of long-term debt financing. IRB intends to pursue a strategy of continued investments in infrastructure development projects. In the past, the Company has been able to infuse equity and arrange for debt financing on acceptable terms for the projects. However, IRB believes that its ability to continue to arrange capital requirements depends on various factors. These factors include

timing and internal accruals, timing and size of the projects awarded, credit availability from banks and financial institutions, and the success of its current infrastructure development projects. Besides, there are several other factors outside its control.

The Company's strong track record has enabled it to raise funds at competitive rates thus far. In addition, the credit rating outlook has improved from Stable to Positive, which has helped maintain the average cost of debt at ~8.90% per annum.

### 3. Traffic growth risk

Toll revenue is a function of toll rates and traffic growth.

**Toll rates:** The Government plans to link toll rate increases to changes in the Wholesale Price Index (WPI). Toll rates of the Company's projects awarded after 2008 are decided based on a formula, which is 3% fixed plus 40% of WPI. On 4 to 6 lanning projects, toll collection starts from the appointed date with a 75% tariff and rate revision happens on completion of the asset. The Company's other projects including state highway projects have annual revision linked with WPI or periodical increase clause in their concession agreement.

### 4. Traffic

Rapid economic development increases traffic growth while low economic activity has a negative impact on traffic volume. Most of the Company's projects are part of India's GQ corridor or are key connectors between India's busiest highways or economic/social hubs and carries long distance freight – spread across the length of the country.

This includes the Ahmedabad-Vadodara, Kishangarh-Gulabpura, Gulabpura-Chittorgarh, Udaipur-Rajasthan/Gujarat border road projects, among others. For their strategic connectivity, industrial growth and development of the Delhi-Mumbai industrial corridor along these projects are expected to boost the traffic growth momentum in the coming years, partially offsetting the risk of a slowdown in traffic growth. Further, adding a large high growth urban corridor through Hyderabad Outer Ring Road project diversifies company's revenue stream while providing significant stability. A pickup in economic activity and the implementation of Bharatmala Pariyojana, as planned, will lead to higher traffic growth in the roads sector. With the passage of time, even road projects that have been witnessing muted traffic growth could benefit from the uptick in economic growth.

### 5. Input cost risk

Raw materials, such as bitumen, stone aggregates, cement and steel need to be supplied continuously to complete projects. There is also a risk of cost escalations or raw material shortages. The Company's extensive experience, its industry position and bulk purchases have helped it procure raw materials at competitive rates. Moreover, the Company procures stone aggregates from its leased mines, which ensures quality and lowers costs, as compared to buying aggregates from open markets. Captive sourcing also minimises supply disruptions or price escalations.

### 6. Labour risk

Timely availability of skilled and technical personnel is one of the key industry challenges. The Company maintains a healthy and motivating work environment through various initiatives. This has helped it recruit and retain skilled workforce and, in turn, complete projects in time.

### 7. Cybersecurity risk

With the increase in frequency of cyberattacks on vital digital infrastructure occurring globally, our IT function has proactively implemented substantial measures to safeguard the organization against potential threats. Critical information is protected from unauthorized access, use, disclosure, modification, and disposal, whether intentional or unintentional. To safeguard the integrity of data and guarantee its uninterrupted and on demand availability to the users, suitable measures are in place for recovery of data. Thus, in event of any manmade or natural disaster, cyberattack, malfunctioning or failure of hardware at central location, our IT Team remain available with least amount of downtime or data loss. Additionally, we implement Vulnerability Assessment and Penetration Testing (VAPT) from third party to proactively identify and address potential cybersecurity risks, fortifying our highway construction and maintenance systems against cyber-attacks, data manipulation, and service disruptions.

### 8. Climate change risk

At IRB, we recognize the pressing challenges posed by climate change and the imperative need to transition towards a low carbon economy. Our commitment to environmental stewardship drives us to take proactive steps in reducing our carbon footprint and promoting sustainable practices across our operations. As part of our dedication to responsible business practices, we actively embrace

additional regulatory changes and best practices prevailing in industry. We understand that compliance with these evolving regulations is crucial in creating a greener and more sustainable future. By adhering to these guidelines, we ensure our contributions to a collective effort in combatting climate change and safeguarding the planet for future generations. In our journey towards sustainability, we have adopted the Science-Based Targets initiative (SBTi) and embraced the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) as part of adopting best industrial practices.

### 9. Health and Safety risk

The nature of business involves construction and maintenance of highways & toll plaza operations. The presence of heavy machinery, moving vehicles, and other construction activities exposes employees and workers to potential hazards, increasing the likelihood of injuries and accidents that could potentially lead to loss of human life. Implementation of robust health & safety measures, provision of adequate training, and adherence to safety protocols are ensured to safeguard the well-being of workers and to prevent potential catastrophic consequences associated with the construction and maintenance activities.

### 6. Human Resource Management

IRB has a large pool of experienced and skilled technical manpower, with which IRB executes world-class projects and delivers excellent quality. IRB aims to keep its employees abreast of the latest technical developments and emerging technologies related to the construction of roads and structures, toll operations, collection processes and road maintenance activities. The Company encourages its executives to attend seminars and symposiums conducted by professional bodies of global repute. Employees are also nominated to attend other professional skill-building programmes.

IRB's reputation of providing a congenial work environment that respects individuality and encourages professional growth, innovation and performance, acts as a strong pull to attract new industry talent. Human resources continue to be one of the core focus areas. Open work culture, effective communications, fair and equitable treatment and welfare of employees are significant value propositions, which help IRB to retain its highly engaged talent pool and generate trust among its employees. IRB remains the 'employer of choice' with one of the lowest attrition rates in the infrastructure sector and has won many awards like Dream Companies to work in construction Sector in India. Probably, that's the reason that even in the Covid pandemic situation, our attrition rates remained

low and we were not only maintain the pace of project construction, but also able to recruit manpower for new projects of the company.

### 7. Internal Control Systems

IRB has now become a SAP-complied organisation across all business functions – tolling as well as construction. IRB maintains adequate internal control systems, including internal financial control systems, which provide, among other things, reasonable assurance of recording transactions of its operations in all material aspects. This system also protects against significant misuse or loss of Company assets. IRB has a strong and independent internal audit function. The Internal Auditor reports directly to the Chairman of the Audit Committee. Periodic audits by professionally qualified, technical and financial personnel of the internal audit function ensure that the Company's internal control systems are adequate and are complied with.

### 8. Cautionary Statement

'IRB', 'the Company', 'IRB Group' and 'the Group' are interchangeably used and mean IRB Group or IRB Infrastructure Developers Limited as may be applicable.

This Annual Report contains certain forward-looking statements, and may contain certain projections. These forward-looking statements generally can be identified by words or phrases such as 'aim', 'anticipate', 'believe', 'expect', 'estimate', 'intend', 'objective', 'plan', 'project', 'will', 'will continue', 'will pursue', 'seek to' or other words or phrases of similar import. Similarly, statements that describe strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements and projections are subject to risks, uncertainties and assumptions.

Actual results may differ materially from those suggested by forward-looking statements or projections due to risks or uncertainties associated without expectations with respect to, but not limited to, regulatory changes pertaining to the infrastructure sector in India and the Company's ability to respond to them, the Company's ability to successfully implement its strategy and objectives, the Company's growth and expansion plans, technological changes, the Company's exposure to market risks, general economic and political conditions in India that have an impact on the Company's business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the

infrastructure sector. Certain important factors that could cause the Company's actual results to differ materially from expectations include, but are not limited to, the following:

- The business and investment strategy of the Company
- Expiry or termination of the project Special Purpose Vehicles (SPVs) respective concession Agreements
- Future earnings, cash flow and liquidity
- Potential growth opportunities
- Financing plans
- The competitive position and the effects of competition on the Company's investments
- The general transportation industry environment and traffic growth
- Regulatory changes and future government policy relating to the transportation industry in India

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been

estimated. Forward-looking statements and projections reflect current views as of the date hereof and are not a guarantee of future performance or returns to investors. These statements and projections are based on certain beliefs and assumptions, which in turn are based on currently available information. Although the Company believes the assumptions upon which these forward-looking statements and projections are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements and projections based on these assumptions could be incorrect. The Company and their respective affiliates/advisors do not have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. There can be no assurance that the expectations reflected in the forward-looking statements and projections will prove to be correct. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements and projections and not to regard such statements to be a guarantee or assurance of the Company's future performance or returns to investors.

## BOARD'S REPORT

Dear Stakeholders,

Your Directors have pleasure in presenting their 25<sup>th</sup> report on the business and operations, along with the audited financial statements of your Company, for the year ended March 31, 2023.

(Amount in ₹ Million)

Particulars	Consolidated		Standalone	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Total Income	67,033.14	63,554.47	45,633.14	30,754.01
Total Expenditure	55,193.54	55,796.00	41,040.26	26,454.91
Profit before exceptional items and tax	11,839.60	7,758.47	4,592.88	4,299.10
Less: Share of loss from joint ventures	1,070.09	2,262.15	-	-
Profit before exceptional items and tax	10,769.51	5,496.32	4,592.88	4,299.10
Add: Exceptional item	-	-	-	-
Profit before tax	10,769.51	5,496.32	4,592.88	4,299.10
Less: Provision for tax				
Current tax	2,500.18	1,781.97	746.52	487.34
Deferred tax	1,069.22	100.38	123.71	613.83
Profit for the year	7,200.11	3,613.97	3,722.65	3,197.93
Add: Profit at the beginning of the year	55,202.83	51,665.77	16,891.94	13,693.06
Transfer from Other comprehensive income -- Re-measurement (loss) on defined benefit plans (net of taxes)	-	-	-	-
Group share of share issue expenses incurred by private trust	(7.82)	(54.60)	-	-
Re-measurement (loss)/gain on defined benefit plans during the year	16.83	(29.52)	4.43	1.28
Tax on defined benefit plans during the year	(4.26)	7.21	(1.12)	(0.33)
Profit available for appropriation	62,407.69	55,202.83	20,617.90	16,891.94
Appropriations:				
Interim Dividend	(754.88)	-	(754.88)	-
Balance Carried Forward to Balance Sheet	61,652.81	55,202.83	19,863.02	16,891.94

Your Company has not proposed to transfer any amount to the General Reserves.

### OPERATION AND PERFORMANCE REVIEW

#### On the basis of Consolidated Financials

During the year, IRB (hereinafter referred to as "your Company") earned total income of ₹ 67,033.14 million as against the total income of ₹ 63,554.47 million in previous year. Contract revenue increased from ₹ 39,304.91 million for March 31, 2022 to ₹ 42,717.65 million for year ended March 31, 2023. Toll revenues for March 31, 2023 had increased to ₹ 20,432.67 million from ₹ 17,493.05 million for March 31, 2022. Net profit before share of profit / (loss) from joint venture / exceptional items and tax stood at ₹ 11,839.60 million against ₹ 7,758.47 million for the previous financial year. Net profit before tax after share of loss from joint ventures and exceptional items stood at ₹ 10,769.51 million against ₹ 5,496.32 million for the previous financial year. Profit for the year ended March 31, 2023 stood at ₹ 7,200.11 million as against ₹ 3,613.97 million for the previous year.

#### On the basis of Standalone Financials

During the year, your Company earned total income of ₹ 45,633.14 million for the year ended March 31, 2023. Profit before tax stood at ₹ 4,592.88 million. Profit for the year ended March 31, 2023 stood at ₹ 3,722.65 million, as against ₹ 3,197.93 million for the previous year.

There is no change in the nature of business of the Company, during the year under review.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of Loans, Guarantees or Investments, if any, are given in the Notes to the Audited Financial Statements.

### DIVIDEND

Your Company has declared interim dividend of ₹ 1.25/- per equity share of face value of ₹ 10/- each (@12.5% of face value of share) on August 5, 2022 and Second interim dividend of ₹ 0.075/- per share of face value of ₹ 1/- each (@7.5% of face value of share) on May 19, 2023 for the financial year 2022-23.

## CREDIT RATING OF COMPANY

- India Ratings and Research (Ind-Ra) has **reaffirmed** Rating to 'IND AA-/Stable/IND A1+' to the Company's Non – fund based bank facilities limits aggregating ₹ 12,000 million and IND AA-/Stable to the NCDs of ₹ 2,000 million. Further India Rating has **assigned** its long-term rating of 'IND AA-/Stable' to the Term Loan of ₹ 4,000 million.
- CRISIL Ratings has **upgraded** Company's Rating on the long-term loan facilities to CRISIL AA-/Stable from 'CRISIL A/Positive' and CRISIL A1+ from 'CRISIL A1' for Non – fund based bank facilities limits of ₹ 12,000 million.
- Acuite Ratings & Research Limited has **reaffirmed** its 'ACUITE AA-/Stable' rating to the NCDs of ₹ 3,500 million. Further Acuite has reaffirmed its long term rating of 'Provisional ACUITE AA-/ Stable to the ₹ 1500 million Non-Convertible Debentures and short term rating of ACUITE A1+ on the ₹ 250 million Commercial Paper.
- Fitch Ratings has **affirmed** the International Long-Term Issuer Default Rating on IRB Infrastructure Developers Limited's at 'BB+'.

## BORROWINGS

As on March 31, 2023, your Company's (Standalone) fund based facilities availed stood at ₹ 35,472.27 million and non-fund based credit facilities availed stood at ₹ 6,185.75 million.

## DEBT SECURITIES

During the year, the Company has not issued Non-convertible debentures.

As on March 31, 2023, the Company has following Outstanding Non-convertible debentures issued by the company on private placement basis as under:

Sr. No.	ISIN	Issue Name	Face value	Issue Size	Date of allotment
1.	INE821107029	9.55% Secured, Redeemable, Listed, Rated Non-Convertible Debentures*	₹ 10 lakh each	₹ 200 Crores	May 21, 2020
2.	INE821107052	9.55% Secured, Redeemable, Listed, Rated Non-Convertible Debentures	**₹ 10 lakh each	₹ 200 Crores	June 29, 2020
3.	INE821107094	9.927% Unlisted, Unrated, Secured, Redeemable Non-Convertible Debentures	₹ 1 lakh each for cash at a discount of 0.2845%	₹ 2,184.55 Crores	February 22, 2021
4.	INE821107102	9.55% Secured, Redeemable, Listed, Rated Non-Convertible Debentures	***₹ 10 lakh each	₹ 350 Crores	September 30, 2021

\*Fully redeemed on May 20, 2023

\*\*As on March 31, 2023 face value of Secured, Redeemable, Listed, Rated Non-Convertible Debentures was ₹ 8,70,000/- each. The Face value is partially redeemed on quarterly basis.

\*\*\*As on March 31, 2023 face value of Secured, Redeemable, Listed, Rated Non-Convertible Debentures was ₹ 7,53,229.72/- each. The Face value is partially redeemed on quarterly basis.

## SHARE CAPITAL

### Change in the capital structure of the Company

During the period under review, the Board of Directors approved split / sub-division of equity shares of the Company such that each equity share having face value of ₹ 10/- (Rupees Ten only) fully paid-up, sub-divided into 10 (ten) equity shares having face value of ₹ 1/- (Rupee One only) each, fully paid-up with effect from February 22, 2023 (Record Date). Further, the shareholders vide resolution passed by way of postal ballot on February 6, 2023 approved the said split of equity shares and the consequential alteration in Capital Clause of Memorandum of Association of the Company.

Accordingly the capital structure of the Company post sub-division of equity shares is as follows:

### Authorised Share Capital:

₹ 6,15,00,00,000/- consisting of 6,15,00,00,000 equity shares of face value of ₹ 1/- each.

### Issued, Subscribed & paid up capital:

₹ 6,03,90,00,000/- consisting of 6,03,90,00,000 equity shares of face value of ₹ 1/- each fully paid.

## UPDATE ON PROJECT SPV'S OF THE COMPANY

Sr. No.	Name of SPV	Name of the project	Phase (Construction/Toll)	Project funding (Capital/Borrowing)	Other updates
1.	Meerut Budaun Expressway Limited (Formerly known as Meerut Budaun Expressway Private Limited)	Ganga Expressway DBFOT (Toll) basis	The SPV has received appointed date from competent authority in October 2022.	The SPV has achieved financial closure in June 2022 by tying up debt of ₹ 26,590 Millions from the consortium of banks / financial Institution.	The SPV was formed to implement the project of development of Access Controlled Six Lane (Expandable to Eight Lane) Greenfield 'Ganga Expressway' [Group-I, from Km. 7+900 (Village: Bijoli, Distt: Meerut) to Km. 137+600, (Village: Nagla Barah, Distt: Budaun), Design length 129.700 Km] in the State of Uttar Pradesh on DBFOT (Toll) basis under PPP. Subsequently, the SPV has executed Concession Agreement with Uttar Pradesh Expressways Industrial Development Authority (UPEIDA) in January 2022.  During the year under review, Meerut Budaun Expressway Limited (MBEL), has issued and allotted 53,32,00,000 equity shares through preferential issue on private placement basis (27,19,07,500 equity shares to the Company and 26,12,92,500 equity shares to the GIC Affiliate. Post this transaction, in MBEL, the Company and GIC Affiliates holds equity shares in the ratio of 51% and 49% respectively. MBEL ceased to be wholly owned subsidiary on October 15, 2022 and became a joint venture of the Company.
2.	Chittoor Thachur Highway Private Limited	Chittoor Thachur HAM Project	The SPV has received appointed date from competent authority in January 2023.	The SPV has achieved financial closure in May 2022 by tying up debt of ₹ 4293.6 Millions from the consortium of banks / financial Institution.	The SPV was formed to implement the project of Development of Six Lining of Chittoor-Thachur road from km. 96.040 (Pondavakkam) to km. 116.100 (Kannigaipair) on Hybrid Annuity mode under Bharatmala Pariyojana, in the state of Tamil Nadu (Package-IV). The estimated Project Cost is approximately ₹ 9090 Millions having Construction Period of 730 Days & Operation Period of 15 (Fifteen) years commencing from COD. First year O & M cost is ₹ 19.8 Million. Subsequently, the Concession Agreement was signed for the Project with NHAI in December, 2021.
3.	IRB Golconda Expressway Private Limited	Hyderabad Outer Ring Road Project	The SPV has received appointed date from competent authority in August 2023	The SPV has executed Concession Agreement with Hyderabad Metropolitan Development Authority (HMDA) in May 2023.	The SPV was formed to implement the project of Tolling, Operation, Maintenance & Transfer (TOT) of Nehru Outer Ring Road (from Km 0+000 to Km 158+000) in Hyderabad, Telangana ("the Project") and has received Letter of Award (LOA) dated April 27, 2023 from Hyderabad Metropolitan Development Authority (HMDA). The SPV has achieved financial closure in August 2023 by tying up debt of ₹ 5500 Crores from the Lender & subsequently started toll collection.
4.	Samakhiali Tollway Private Limited	Samakhiali to Santalpur Section BOT (Toll) mode	Financial Closure is underway.	The SPV has executed concession agreement with National Highways Authority of India (NHAI) in May 2023.	The SPV was formed to implement the project of Upgradation to Six Lane with paved Shoulder of NH-27 from Samakhiali to Santalpur section from km. 339+200 to Km. 430+100 in the State of Gujarat on BOT (Toll) Mode and has received LOA dated February 24, 2023 from NHAI.
5.	VK1 Expressway Limited (Formerly known as VK1 Expressway Private Limited)	Vadodara Kim HAM Project	The SPV has received completion certificate in October 2022.	-	This SPV was transferred to IRB InvIT Fund, Infrastructure Investment Trust for which the Company is acting as Sponsor and the Project Manager, in the month of October 2022.



## IRB INFRASTRUCTURE TRUST

Your Company is Sponsor and Project Manager of IRB Infrastructure Trust ("Private Trust/Private InvIT"), MMK Toll Road Private Limited ("MMK") is Investment Manager of the Private Trust. During the year, MMK has carried out its obligations under Investment Management Agreement entered into with the Private Trust and earned management fee of ₹ 48 Million.

The object and purpose of the Private Trust, as described in the Indenture of Trust, is to carry on the activity of an infrastructure investment trust under the InvIT Regulations. Further, the Company in the year 2019-20 had transferred Nine Project SPVs to IRB Infrastructure Trust in which the Company holds 51% stake while investors holds the remaining stake of 49%. During the period under review, the Company has implemented Palsit Dankuni Tollway Private Limited through the Company's associate viz. IRB Infrastructure Trust. Accordingly, the Private Trust owns, builds, operates and maintains a portfolio of ten toll-road assets in the states of Maharashtra, Gujarat, Uttar Pradesh, Rajasthan, Karnataka, Haryana and West Bengal in India. These toll roads are operated and maintained pursuant to concessions awarded by the NHAI.

The Board of Directors of the Company at their meeting held on July 8, 2023 and subsequently the Shareholders of the Company at their meeting held on August 1, 2023 have approved the following:

### UPDATE ON PROJECT SPV'S OF IRB INFRASTRUCTURE TRUST

Sr. No.	Name of SPV	Name of the project	Phase (Construction/Toll)	Borrowing during FY23 (in millions)	Other updates
1.	IRB Hapur Moradabad Tollway Limited	Hapur Moradabad BOT Project	Tolling and Construction	1,455.18	The SPV has been issued a Completion Certificate (COD- II) in April 2023 for additional length of 9.75 Kms by the Competent Authority. With this, 88.282 Kms of the Project Highway has been completed. Consequently, toll rates for the SPV would be increased by ~5% and the SPV will collect toll at revised toll rates on this project.
2.	IRB Westcoast Tollway Limited	Goa/ Karnataka border to Kundapur BOT Project	Tolling and Construction	1,020.81	The SPV has been issued Provisional Certificate no. 3 by the Competent Authority in March 2023 for additional length of ~9.93 kms of the Project implemented by the SPV.

## IRB INVIT FUND

Your Company is the Sponsor and the Project Manager of IRB InvIT Fund ("the Trust"). IRB Infrastructure Private Limited (IRBFL), wholly owned subsidiary is the Investment Manager of the Trust. During the year, IRBFL has carried out its obligations under Investment Management Agreement entered into with the Trust and earned management fee of ₹ 100 Million.

1. Implementation of Hyderabad Outer Ring Road TOT Project (SPV - IRB Golconda Expressway Private Limited) through the Company's Associate viz. IRB Infrastructure Trust ("the Trust").

The Company is the Sponsor of the Trust and the Company holds 51% units of the Trust while 49% of the units are held by GIC Affiliates.

2. Implementation of Samakhiali Santalpur BOT Project (SPV - Samakhiali Tollway Private Limited), through the Company's Associate viz. IRB Infrastructure Trust ("the Trust").

The Company is the Sponsor of the Trust and the Company holds 51% units of the Trust while 49% of the units are held by GIC Affiliates.

The Company acting as the Project Manager of the Private Trust, has received Work Orders for Engineering, Procurement and Construction works ("EPC") in relation to the relevant project and Operation & Maintenance (O&M) work of the Project SPVs of the Private Trust for 10 years as per Project Implementation Agreements. These Work Orders would result in improved visibility in consolidated Order Book of the Company for long term.

The Company being acting as the Project Manager of the Trust, had earlier received Work Orders for Operation & Maintenance (O&M) work of the Project SPVs of the Trust for further 10 years. These Work Orders for O&M work would result in improved visibility in consolidated Order Book of the Company over long term.

During the year under review, the Company has transferred Vadodara Kim Expressway Project implemented through VK1 Expressway Limited to IRB InvIT Fund. The Company has received total distribution of ₹ 801.90 Million (₹ 8.65 per unit comprised of ₹ 5.40 per unit as Interest and ₹ 3.25 per unit as Return of Capital) from the Trust.

## SUBSIDIARIES / ASSOCIATE / JOINT VENTURE COMPANIES / ENTITY

The list of Subsidiaries/ Associate/ Joint Venture Companies/ Entity are provided in "Annexure A".

During the year under review, the Company has incorporated one subsidiary Company i.e. Samakhiali Tollway Private Limited. Further, in May 2023, the company has promoted one more subsidiary Company i.e. IRB Golconda Expressway Private Limited.

A statement containing salient features of the financial statements of the subsidiary companies is also included in the Annual Report.

In accordance with the Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company, www.irb.co.in. Further, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company, www.irb.co.in.

Further, with reference to outcome of the Board meeting dated October 26, 2021 pertains to monetization of certain non-core assets of the Company/ Group ("Transactions"), the Company's Audit Committee and the Board vide its meeting held on July 31, 2023 has granted an extension of up to 3 more years for this Transactions and all other terms of the Transactions remain un-changed.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

On August 5, 2022 pursuant to the recommendation of Nomination & Remuneration Committee of the Board, Mr. Ravindra Dhariwal (DIN: 00003922) was appointed as an Additional non-executive Director of the Company and the appointment was approved by the Shareholders in its 24<sup>th</sup> AGM.

Mr. Ravindra Dhariwal (DIN 00003922), Non-Executive Director of the Company, is liable to retire by rotation at the forthcoming Annual General Meeting (AGM) and being eligible, offers himself for re-appointment. Your Directors recommended his re-appointment.

During the year under review, the Shareholders in its 24<sup>th</sup> AGM approved re-appointment of Mr. Virendra D. Mhaikar (DIN 00183554) as a Managing Director of the Company, liable to retire by rotation, for a further period of five consecutive years with effect from September 7, 2022.

Mr. Carlos Ricardo Ugarte Cruz Coke (DIN: 09441398) resigned from the post of Director of the Company w.e.f. August 5, 2022.

The Board of Directors placed on record its appreciation for the valuable contribution and guidance rendered by Mr. Carlos Ricardo Ugarte Cruz Coke as the Director of the Company during his tenure.

None of the Key Managerial Personnel has resigned during the year under review.

On the basis of confirmation received by the Company, all Directors including Independent Directors appointed during the year have complied with the Code of Conduct adopted by the Company. Further, the Board also states that Independent Directors are person of integrity and have adequate experience to serve as an Independent Director of your Company.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees. The manner in which the evaluation has been carried out has been covered in the Corporate Governance Report.

## REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

The criteria for appointment of Board of Directors and Remuneration Policy of your Company are annexed herewith as "Annexure B".

## MEETINGS

The details of the number of Board and Committee meetings of your Company held during the financial year, indicating the number of meetings attended by each Director is set out in the Corporate Governance Report.

The Composition of various committees of the Board of Directors is provided in the Corporate Governance Report.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System including Internal Financial Controls, commensurate with the size, scale and complexity of its operations as approved by the Audit Committee and the Board. The Internal Financial Controls are adequate and working effectively.

The scope and authority of the Internal Audit is laid down by the Audit Committee and accordingly the Internal Audit Plan is approved. To maintain its objectivity and independence, the Internal Auditors report to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit, process owners/ concerned departments undertake corrective action, if any, in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

Further, the Board of each of the Group Companies has carried out analysis of its business activities and processes carried out by them and laid down Internal Financial Controls which are adhered to by the Group Companies.

## OTHER DISCLOSURE

Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is provided as **"Annexure C"**.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism/ Whistle Blower Policy (SPOC Policy) for directors, employees, vendors/ consultants to report genuine concerns and has widely circulated/ displayed for the information of the concern.

## CORPORATE GOVERNANCE

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, reports on the Corporate

Governance and Management Discussion and Analysis form part of the Annual Report. A Certificate from a Practicing Company Secretary on the compliance with the provisions of Corporate Governance is annexed to the Corporate Governance Report.

## SECRETARIAL STANDARDS

The Company complied with all applicable secretarial standards.

## ANNUAL RETURN

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website at [www.irb.co.in](http://www.irb.co.in).

## INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, the Company has transferred the unclaimed or un-encashed Interim dividends for financial years 2015-2016 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Further, as per said rules, the Company has transferred the shares on which dividend has not been encashed or claimed by the shareholders for seven consecutive years or more to the demat account of the IEPF Authority. The Company has made available the complete details of the concerned shareholders whose share(s) were transferred to IEPF on its website at [www.irb.co.in](http://www.irb.co.in).

## STATUTORY AUDITORS

M/s M S K A & Associates, (Firm Registration No.105047W) Chartered Accountants, Joint Statutory Auditors of the Company, were appointed as Joint Statutory Auditors of the Company till the conclusion of the 29<sup>th</sup> (Twenty Ninth) Annual General Meeting to be held in the year 2027 as per the provisions of Section 139 of the Companies Act, 2013.

M/s. Gokhale & Sathe (Firm Registration No. 103264W), Chartered Accountants, Joint Statutory Auditors of the Company, were re-appointed as Joint Statutory Auditors of the Company for a second term of 5 (five) consecutive years till the conclusion of 27<sup>th</sup> (Twenty Seventh) Annual General Meeting to be held in the year 2025.

## COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the cost audit records are to be maintained by the Company. Your Directors appointed Mrs. Netra Shashikant

Apte, Practicing Cost Accountant (Membership No. 11865 and Firm Registration No. 102229) to audit the cost accounts of the Company for the financial year 2023-24 on a remuneration of ₹3,00,000/- (Rupees Three Lakh only) per annum excluding taxes. As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to Mrs. Netra Shashikant Apte, Cost Auditor is included in the Notice convening the Annual General Meeting.

## SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Mihen Halani & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for financial year 2022-23. The Secretarial Audit Report for financial year 2022-23 is annexed herewith as **"Annexure D"**.

Modern Road Makers Private Limited, material subsidiary of the Company had carried out the Secretarial Audit for the Financial Year 2022-23 pursuant to section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations"). The Secretarial Audit Report of Modern Road Makers Private Limited submitted by M/s. Mihen Halani & Associates, a firm of Company Secretaries in Practice, is attached as **"Annexure E"** to this Report.

Mhaiskar Infrastructure Private Limited, material subsidiary of the Company had carried out the Secretarial Audit for the Financial Year 2022-23 pursuant to section 204 of the Companies Act, 2013 and Regulation 24A of the Listing Regulations. The Secretarial Audit Report of Mhaiskar Infrastructure Private Limited submitted by M/s. Mihen Halani & Associates, a firm of Company Secretaries is attached as **"Annexure F"** to this Report.

IRB MP Expressway Private Limited, material subsidiary of the Company had carried out the Secretarial Audit for the Financial Year 2022-23 pursuant to section 204 of the Companies Act, 2013 and Regulation 24A of the Listing Regulations. The Secretarial Audit Report of IRB MP Expressway Private Limited submitted by M/s. Mihen Halani & Associates, a firm of Company Secretaries is attached as **"Annexure G"** to this Report.

## FIXED DEPOSITS

Your Company has not accepted or renewed any deposit from public during the year under review.

## RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were in compliance with the requirement of the Companies Act, 2013 and the Rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A statement giving details of all Related Party Transactions is placed before the Audit Committee and the Board of Directors for their approval/ noting on a quarterly basis.

There are no materially significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel, which may have a potential conflict with the interest of the Company at large.

As per applicable provisions of the Companies Act, 2013, the details of contracts and arrangements with related parties in Form AOC - 2 are annexed herewith as **"Annexure H"**. For disclosure, more than 10% of Annual turnover with related party except wholly owned subsidiaries are considered material.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant & material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

## RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through risk registers and mitigating actions on a continuing basis. These are discussed at the meetings of the Risk Management Committee, the Audit Committee and the Board of Directors, as may be required.

## DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- that in the preparation of the annual financial statements for the financial year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note 3 of the Notes to the Financial Statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## HUMAN RESOURCE MANAGEMENT

At IRB, we believe that employees are the strong pillars which lay the foundation of our success. To ensure a strong foundation, we select, hire and develop the right talent which is aligned to IRB's values, mission and vision and will lead us on a path to success. A skilled workforce delivers more effectively, leading their own growth as well as the growth of the organisation. We provide trainings to our employees such as induction training, on-the-job training, skill-upgradation and behavioural trainings. We also conduct various awareness

programs on socially relevant topics such as Anti-discrimination, Human Rights, POSH to ingrain IRB's values in the employees and make them aware about their rights and duties. We have various employee engagement activities to ensure that the employees feel engaged at work and to strengthen the mental and emotional connect that they feel towards their work, work environment and organisation. Our human resources' focus is on hiring the best talent, improving efficiencies with optimized cost. We continue to hire people with the right competencies to ensure efficient, timely and high quality execution of our projects.

## CORPORATE SOCIAL RESPONSIBILITY

At IRB, we believe it is important to ensure the development of the society that we operate in. Having a good education, health and fitness are the pioneers of a developed and progressive society. Thus, IRB focusses on these pioneers to ensure the development of society. We have taken the following initiatives for the development of our community –

### IRB Schools

The best way to increase awareness of the society is by educating them. The Social Initiative of IRB Group provides free quality education with an all-round development to the children of economically deprived sections of the society, in the rural areas where our road and other infrastructure facilities are supporting Nation building.

We have two IRB Schools from Pre-primary to Class 8th at Tonk, Rajasthan and at Pathankot, Punjab, with a capacity of 315 students each, for providing free and quality education. We give preference to the girl child in IRB Schools.

The progress and achievements of IRB Schools in the financial year 2022-23 are briefly highlighted below:-

### IRB School, Tonk, Rajasthan (from 2011).

- Average enrolment for the current financial year is 309 out of the total capacity of 315 with 162 girls and 147 boys. The average annual attendance of students is 90%.
- The State Board Exams for Classes 5th and 8th have been very satisfactory with a 100% passing rate.

- IRB School Girls' sports team won the Tonk District Sports Athletics Championship in Under-14 age group from amongst more than 65 private as well as Govt Schools who participated.

- 72 children participated in a 3 KM Fit India Run event sponsored by Ministry of Youth Affairs & Sports, Delhi and the School was awarded a certificate of recognition.

- With regular plantation drives in the School campus, the area which was once dry arid and without a single grass or a bush now has more than 450 trees with 250 trees of more than 30 feet height.

- Seven villages including four large ones are the feeder villages to our School.

### IRB School Pathankot, Punjab (from 2017).

- Average enrolment for the current financial year is 307 out of the total capacity of 315 with 180 girls and 127 boys. The average attendance annual attendance of students is 90%.

- The State Board Exams Results for Classes 5th & 8th have been good with a 100% passing rate and more than 80% students getting an A+ grade.

- Judo and Karate classes have commenced at the School.

### Financial Benefit to students' family

A child studying in our School, from Pre-primary to Class 8th, for nine years, helps their family in saving the cost of education had the child studied in a similar standard private school.

### Social Events

Both Schools celebrate various events like Republic Day, Independence Day, Yoga Day, Environment Day, Constitution Day, Gandhi Jayanti, Maharana Pratap Jayanti, besides other state specific events.

### Environmental Initiatives

All activities pertaining to nature, water conservation, pollution, road safety, banning plastics etc. percolate through the students to their villages and thus this is the indirect impact our Schools

are having on 62 villages. Periodic visits by our teachers to the villages and community interaction also helps in keeping the parents aware of their child's progress.

Procured solar invertors at both schools for running the computer labs and having uninterrupted classes.

### Other Initiatives

- We promote educational and cultural activities in several engineering and educational institutions
- Other than contributing in the field of education, we also have supported the following initiatives –
  - Participated in the **TATA Mumbai Marathon 2023** to support Women Empowerment in association with Population First (Laadli)
  - We promote sports and fitness by providing financial support to sports activities, sportsmen and artists
  - Support Healthcare promotion of Rural Healthcare facilities by providing state-of-the-art mobile diagnostic centre for cancer screening, mammography, and vision restoration in the rural areas of Thane, Maharashtra

The Annual Report on CSR activities is annexed herewith as "Annexure I".

## PARTICULARS OF EMPLOYEES

Details of remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as "Annexure J".

Particulars of employee remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

Having regard to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013, the Annual Report excluding the said information is being sent to the members of the Company. The said information is available for inspection and any member interested in obtaining such information may write to the Company Secretary.

## BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

As stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility & Sustainability Report describing the initiatives taken by the Company from environmental, social and governance perspective is attached as part of the Annual Report as “Annexure K”.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no earning in the foreign currency, while foreign currency expenditure during the year was ₹ 109.47 million. Since the Company does not have any manufacturing facility, the other particulars required to be provided in terms of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are not applicable.

## ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank the Ministry of Road Transport & Highways, National Highways Authority of India, Uttar Pradesh Expressways Industrial Development Authority, Maharashtra State Road Development Corporation Limited, Maharashtra Industrial Development Corporation, Public Works Dept., HMDA, various State Governments, Central Government for their support and guidance. Your Directors also thank Ministry of Corporate Affairs, SEBI, BSE Limited, National Stock Exchange of India Limited. Depositories, Regulators, Financial Institutions and Banks, Credit Rating Agencies, Stakeholders, Suppliers, Contractors, Vendors and business associates for their continuous support. The Company also looks forward to their support in future. Also, your Directors convey their appreciation to the employees at all levels for their enormous personal efforts as well as collective contribution to the Company's growth.

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

**Virendra D. Mhaikar**

Chairman & Managing Director

Registered Office: Off No. 11th Floor/1101

Hiranandani Knowledge Park,

Place: Mumbai Technology Street, Hill Side Avenue,

Date: August 30, 2023 Powai, Mumbai – 400076

## ANNEXURE A

### List of Subsidiary / Associate / Joint Venture Companies / Entity as on March 31, 2023:

#### Direct subsidiaries

1. Modern Road Makers Private Limited (EPC Arm)
2. IRB Ahmedabad Vadodara Super Express Tollway Private Limited (SPV for Ahmedabad Vadodara BOT Project)
3. Mhaikar Infrastructure Private Limited
4. Thane Ghodbunder Toll Road Private Limited (SPV for Thane Ghodbunder BOT Project)
5. IRB Kolhapur Integrated Road Development Company Private Limited
6. ATR Infrastructure Private Limited (SPV for Pune-Nashik BOT Project)
7. Ideal Road Builders Private Limited
8. Aryan Toll Road Private Limited
9. GE1 Expressway Private Limited (Formerly known as IRB PP Project Private Limited)
10. IRB PS Highway Private Limited
11. VK1 Expressway Limited (Formerly known as VK1 Expressway Private Limited) (SPV for Vadodara Kim Expressway Project HAM Project) upto October 12, 2022<sup>@</sup>
12. IRB Sindhudurg Airport Private Limited (SPV for Greenfield Airport in Sindhudurg)
13. IRB Infrastructure Private Limited (Investment Manager to IRB InvIT Fund)
14. Aryan Infrastructure Investments Private Limited
15. Aryan Hospitality Private Limited
16. IRB MP Expressway Private Limited (SPV for Mumbai Pune Project)
17. IRB Goa Tollway Private Limited
18. VM7 Expressway Private Limited (SPV for Vadodara Mumbai Expressway Project HAM Project)
19. Pathankot Mandi Highway Private Limited (SPV for Pathankot Mandi HAM Project)
20. Chittoor Thachur Highway Private Limited (SPV for Chittoor Thachur HAM Project)
21. Meerut Budaun Expressway Limited (SPV for Ganga Expressway DBFOT (Toll) basis) – Upto October, 2022
22. Samakhiyali Tollway Private Limited (SPV for Samakhiyali to Santalpur section) - (incorporated on March 14, 2023)

23. IRB Golconda Expressway Private Limited (SPV for Hyderabad Outer Ring Road Project w.e.f. May, 2023).

#### Indirect Subsidiaries

24. MRM Mining Private Limited (Subsidiary of Modern Road Makers Private Limited)

#### Associate/Joint Venture Company/Entity as per IND AS 24

25. IRB Westcoast Tollway Limited (SPV for Goa/Karnataka Border to Kundapur BOT Project)
26. Solapur Yedeshi Tollway Limited (SPV for Solapur Yedeshi BOT Project)
27. Yedeshi Aurangabad Tollway Limited (SPV for Yedeshi Aurangabad BOT Project)
28. Kaithal Tollway Limited (SPV for Kaithal Rajasthan Border BOT Project)
29. AE Tollway Limited (SPV for Agra Etawah Bypass BOT Project)
30. Udaipur Tollway Limited (SPV for Udaipur to Rajasthan/Gujarat Border Project)
31. CG Tollway Limited (SPV for Chittorgarh to Gulabpura Project)
32. Kishangarh Gulabpura Tollway Limited (SPV for Kishangarh to Gulabpura Project)
33. IRB Hapur Moradabad Tollway Limited ( SPV for Hapur bypass to Moradabad Project)
34. Palsit Dankuni Tollway Private Limited (SPV for Palsit Dankuni BOT Project)\*
35. MMK Toll Road Private Limited (Investment Manager to IRB Infrastructure Trust)
36. IRB Infrastructure Trust (is an irrevocable trust set up under the Indian Trusts Act, 1882 and registered with the SEBI as an infrastructure investment trust)
37. Meerut Budaun Expressway Limited (SPV for Ganga Expressway DBFOT (Toll) basis) – w.e.f. October, 2022

<sup>@</sup> Transferred to IRB InvIT Fund in October, 2022

\*Transferred to IRB Infrastructure Trust in April, 2022.

## ANNEXURE B

### CRITERIA FOR APPOINTMENT OF BOARD OF DIRECTORS

IRB Infrastructure Developers Limited & its subsidiaries ('IRB Group') are engaged into Infrastructure development. IRB Group's business is conducted by its holding company and project specific SPVs which are subsidiaries of IRB. The Board of the Holding company being a listed entity shall have required number of Independent Directors in terms of Listing Agreement. Further, as per provisions of the Companies Act, 2013, the Board of Subsidiaries shall also have required number of Independent Directors on their Board as the case may be.

The holding company's board appoints directors, including senior executives of the holding company, on the board of these subsidiaries to carry on the business of the subsidiaries efficiently and in line with the objectives of the IRB Group.

The members of the Board of Directors of IRB Group are expected to possess the required expertise, skill and experience to effectively manage and direct the Group to attain its organizational & business goals. They are expected to be persons with vision, leadership qualities, proven competence and integrity, and with a strategic bent of mind.

Each member of the Board of Directors of the Group is expected to ensure that his/her personal interest does not run in conflict with the Group's interests. Moreover, each member is expected to use his/her professional judgement to maintain both the substance and appearance of professionalism and objectivity.

#### Remuneration Policy

Annual performance and salary review of the employees of the IRB group of companies is done in the first quarter every year.

The review of remuneration is based upon the following Criteria:

1. Performance of the Employee
2. Performance of the Team to which such employee belongs
3. Overall performance of the Company and
4. Prevailing Business environment and requirement of manpower for future projects.

#### Remuneration to Managing, Whole-Time Directors', Key Managerial Personnel and Senior Management:

The Remuneration/ Compensation/ Commission etc. to be paid to Managing, Whole-Time Directors' and Key Managerial Personnel shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The remuneration including incentives to Senior Management shall be in accordance with the Company's policy. A performance appraisal be carried out annually and promotions or incentives or increment will be based on performance and the Company's Policy.

#### Remuneration to Non-Executive/Independent Director:

The Non-Executive Independent Director may receive remuneration/compensation/commission as per the provisions of the Companies Act, 2013 & Rules made thereunder. The amount of sitting fees for attending Board and Committee meetings shall be fixed by Board of Directors, from time to time, subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

## ANNEXURE C

### DISCLOSURE OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## ANNEXURE D

**FORM No. MR-3  
SECRETARIAL AUDIT REPORT**

for the Financial Year ended March 31, 2023

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

To,  
The Members,  
**IRB INFRASTRUCTURE DEVELOPERS LIMITED**  
Off No-11th Floor/1101 Hiranandani Knowledge Park,  
Technology Street, Hill Side Avenue,  
Powai, Mumbai – 400 076

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IRB Infrastructure Developers Limited (“the Company”)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, **(the “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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i. The Companies Act, 2013 (“the Act”) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made thereunder;
- iii. The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- 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 - **(Overseas Direct Investment and External Commercial Borrowings are not applicable to the Company during the Audit period);**

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”);
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not Applicable to the Company during the Audit Period;**
  - f) The Securities and Exchange Board of India (Issue and Listing Of Non-Convertible Securities) Regulations, 2021;
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable to the Company during the Audit Period, and**
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable to the Company during the Audit Period;**
- vi. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (“ICSI”);
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI (LODR) Regulations”).

To the best of our knowledge and belief, during the Audit Period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as mentioned below;

- Pursuant to regulation 21(3C) of SEBI (LODR) Regulations, 2015, the Risk Management Committee (“RMC”) meetings during the review period were held on August 05, 2022 and February 13, 2022. However, the gap between two consecutive meetings of RMC has elapsed more than 180 days.

**We further report that:**

- a) During the Audit Period, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

The committee of the Board is duly constituted. The changes in the composition of the Board of Directors that took place during the Audit Period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent at least seven days in advance or with due consents for shorter notice from the directors and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) 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.

**We 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.

We further report that during the audit period, the following event/action has taken place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above;

- The Company has adopted restated Articles of Association vide Special Resolution passed by the members through postal ballot on May 04, 2022;
- The Company being the sponsor and 51% unitholder of the IRB Infrastructure Trust (“the Trust”) has invested ₹ 123.68 Crores pursuant to the rights issue undertaken by the Trust;
- The Hon'ble Delhi High Court upheld Arbitral Tribunal's Order and directed National Highways Authority of India (“NHAI”) to release 75% of the Arbitration Award amount [relating to IRB Pathankot Amritsar Toll Road Limited (“IPATRL”) to the Company. Accordingly, in line with directives of the Cabinet Committee on Economic Affairs to government agencies, the Company has received ₹ 308 Crores against total Arbitration claim of ₹ 419 Crores towards claims of EPC Contractor;
- The Board of directors of the Company in its meeting held on August 05, 2022 has approved the sale of entire stake held by the Company (including its nominee shareholders) in its wholly-owned subsidiary viz. VK1 Expressway Private Limited (“VK1”) to the IRB InvIT Fund (“Trust”) for ₹ 342 Crore in aggregate, as consideration to be paid by the Trust in cash;
- The Company has declared and paid first interim dividend of ₹ 1.25 per equity share of ₹ 10 each (i.e. 12.5%) for the financial year 2022-23;
- The Company has re-appointed Mr. Virendra D. Mhaikar (holding DIN: 00183554) as Managing Director of the Company w.e.f. September 07, 2022 for a period of 5 years, liable to retire by rotation, vide special resolution passed by the members at Twenty Fourth Annual General Meeting (“the AGM/ 24<sup>th</sup> AGM”) held on September 20, 2022;
- The Company has ratified and approved material related party transactions with its related party, Palsit Dankuni Tollway Private Limited (“PDTP”), vide ordinary resolution passed by the members at the 24<sup>th</sup> AGM held on September 20, 2022;
- The Company has ratified and approved material related party transactions with its related party, Meerut Budaun Expressway Limited (“MBEL”), vide ordinary resolution passed by the members at the 24<sup>th</sup> AGM held on September 20, 2022;
- The Company has approved sell, convey, transfer, assign, deliver or otherwise dispose off the whole of the undertaking/ subsidiary of the Company, comprised of Meerut Budaun Expressway Limited (“MBEL”) to the Trust;
- The Company has approved sub-division of equity share having face value of ₹ 10/- (Rupees Ten only) fully paid-up into 10 equity shares having face value of ₹ 1/- (Rupee One only) each, fully paid-up, ranking pari-passu with each other in all respects vide ordinary resolution passed by the members of the Company through postal ballot on February 06, 2023;

- The Company has approved alteration of Capital Clause of the Memorandum of Association of the Company vide ordinary resolution passed by the members through postal ballot on February 06, 2023.

We further report that during the Audit Period, the Company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

For **MIHEN HALANI & ASSOCIATES**  
Practicing Company Secretaries

Date: 30.08.2023  
Place: Mumbai  
UDIN: F009926E000893886

Sd/-  
**Mihen Halani**  
(Proprietor)  
CP No: 12015  
FCS No: 9926

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" herewith and forms as integral part of this report.

## ANNEXURE A

To,  
The Members,  
**IRB INFRASTRUCTURE DEVELOPERS LIMITED**

Our report of even date is to be read along with this letter.

### Management's Responsibility

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

### Auditor's Responsibility

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed to provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

### Disclaimer

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MIHEN HALANI & ASSOCIATES**  
Practicing Company Secretaries

Date: 30.08.2023  
Place: Mumbai  
UDIN: F009926E000893886

Sd/-  
**Mihen Halani**  
(Proprietor)  
CP No: 12015  
FCS No: 9926

## ANNEXURE E

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

For the Financial Year ended 31st March, 2023

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

To,  
The Members,  
**MODERN ROAD MAKERS P LTD**  
CIN: U45203MH1994PTC077075

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MODERN ROAD MAKERS P LTD (hereinafter referred as "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made there under - **Not Applicable during the Audit Period;**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable during the Audit Period;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") - **Not Applicable during the Audit Period;**

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable during the Audit Period;**
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not Applicable during the Audit Period;**
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable during the Audit Period;**
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable during the Audit Period;**
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - **Not Applicable during the Audit Period;**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable during the Audit Period;**
- g) The Securities and Exchange Board of India (Issue and Listing Of Non-Convertible Securities) Regulations, 2021 - **Not Applicable during the Audit Period;**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable during the Audit Period;** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable during the Audit Period.**

- vi. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

To the best of our knowledge and belief, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

- a) The Company has complied with the provisions of the Act & Rules made thereunder with regards to constitution / appointment / re-appointments / retirement / filling up casual vacancies / disclosures of the Directors, Key Managerial Personnel and the remuneration paid to them.

The committee of the Board is duly constituted. The changes in the composition of the Board of Directors, if any, took place during the period under review were carried out in compliance with the provisions of the Act.

- c) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent at least seven days in advance or with due consents for shorter notice from the directors and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

**We 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.

**We further report that** during the audit period the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We further report that during the audit period, the Company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

For **MIHEN HALANI & ASSOCIATES**  
Practicing Company Secretaries

Place: Mumbai  
Date: 28.07.2023  
UDIN: F009926E000707513

Sd/-  
**Mihen Halani**  
(Proprietor)  
CP No: 12015  
FCS No: 9926

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" herewith and forms as integral part of this report.



## ANNEXURE A

To,  
The Members,  
**MODERN ROAD MAKERS P LTD**  
CIN: U45203MH1994PTC077075

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed to provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MIHEN HALANI & ASSOCIATES**  
Practicing Company Secretaries

Date: 28.07.2023  
Place: Mumbai  
UDIN: F009926E000707513

Sd/-  
**Mihen Halani**  
(Proprietor)  
CP No: 12015  
FCS No: 9926

## ANNEXURE F

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

For the Financial Year ended March 31, 2023

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

To,  
The Members,  
**MHAISKAR INFRASTRUCTURE PRIVATE LIMITED**  
CIN: U45200MH2004PTC144258

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MHAISKAR INFRASTRUCTURE PRIVATE LIMITED (hereinafter referred as "the Company")**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained 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 ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made 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 31st March, 2023 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made there under - **Not Applicable during the Audit Period;**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable during the Audit Period;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") - **Not Applicable during the Audit Period;**

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable during the Audit Period;**
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not Applicable during the Audit Period;**
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable during the Audit Period;**
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable during the Audit Period;**
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- **Not Applicable during the Audit Period;**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable during the Audit Period;**
- g) The Securities and Exchange Board of India (Issue and Listing Of Non-Convertible Securities) Regulations, 2021 - **Not Applicable during the Audit Period;**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable during the Audit Period;** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable during the Audit Period.**
- vi. I have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

To the best of my knowledge and belief, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

- a) The Company has complied with the provisions of the Act & Rules made thereunder with regards to constitution / appointment / re-appointments / retirement / filling up casual vacancies / disclosures of the Directors, Key Managerial Personnel and the remuneration paid to them.

The committee of the Board is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent at least seven days in advance or with due consents for shorter notice from the directors and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

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

**I further report that** during the audit period the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above;

**I further report that** during the audit period, the company has co-operated with me and have produced before me all the required forms information, clarifications, returns and other documents as required for the purpose of my audit.

Date: 27.07.2023  
Place: Mumbai  
UDIN: F011066E000687456

Sd/-  
**Amita Karia**  
Practicing Company Secretary  
FCS No. 11066  
CP No. 16962

Note: This report is to be read with my letter of even date which is annexed as "Annexure A" herewith and forms as integral part of this report.

## ANNEXURE A

To,  
The Members,  
**MHAISKAR INFRASTRUCTURE PRIVATE LIMITED**  
CIN: U45200MH2004PTC144258

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed to provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 27.07.2023  
Place: Mumbai  
UDIN: F011066E000687456

Sd/-  
**Amita Karia**  
Practicing Company Secretary  
FCS No. 11066  
CP No. 16962

## ANNEXURE G

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

For the Financial Year ended March 31, 2023

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

To,  
The Members,  
**IRB MP EXPRESSWAY PRIVATE LIMITED**  
CIN: U45202MH2000PTC130112

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IRB MP Expressway Private Limited (hereinafter referred as "the Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made there under - **Not Applicable during the Audit Period;**
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable during the Audit Period;**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") - **Not Applicable during the Audit Period;**

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not Applicable during the Audit Period;**
- b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not Applicable during the Audit Period;**
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not Applicable during the Audit Period;**
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - **Not Applicable during the Audit Period;**
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- **Not Applicable during the Audit Period;**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - **Not Applicable during the Audit Period;**
- g) The Securities and Exchange Board of India (Issue and Listing Of Non-Convertible Securities) Regulations, 2021 - **Not Applicable during the Audit Period;**
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not Applicable during the Audit Period;** and
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable during the Audit Period.**

- vi. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

To the best of our knowledge and belief, during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

- a) The Company has complied with the provisions of the Act & Rules made thereunder with regards to constitution / appointment / re-appointments / retirement / filling up casual vacancies / disclosures of the Directors, Key Managerial Personnel and the remuneration paid to them.
- The committee of the Board is duly constituted. The changes in the composition of the Board of Directors, if any, took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent at least seven days in advance or with due consents for shorter notice from the directors and adequate system exists for seeking and obtaining

further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.

**We 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.

**We further report that** during the audit period the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**We further report that** during the audit period, the Company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

For **MIHEN HALANI & ASSOCIATES**  
Practicing Company Secretaries

Date: 28.07.2023  
Place: Mumbai  
UDIN: F009926E000707491

Sd/-  
**MIHEN HALANI**  
(Proprietor)  
FCS No. 9926  
CP No. 12015

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" herewith and forms as integral part of this report.

## ANNEXURE A

To,  
The Members,  
**IRB MP EXPRESSWAY PRIVATE LIMITED**  
CIN: U45202MH2000PTC130112

Our report of even date is to be read along with this letter.

- Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed to provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MIHEN HALANI & ASSOCIATES**  
Practicing Company Secretaries

Date: 28.07.2023  
Place: Mumbai  
UDIN: F009926E000707491

Sd/-  
**MIHEN HALANI**  
(Proprietor)  
FCS No. 9926  
CP No. 12015

## ANNEXURE H

### FORM AOC – 2

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

Sr. No. Related Party	Name of the Party	Nature of Contracts/ Arrangements/ Transactions	Durations of the Contracts / Agreements/ Transactions	Salient Terms of the Contracts or arrangements or Transactions including the Value, if any	Justification for entering into such contracts or arrangements or transaction	Date(s) of approval by the Board, if any	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable								

## 2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Contracts / Agreements / Transactions	Durations of the Contracts / Agreements / Transactions	Salient Terms of the Contracts or Arrangements or Transactions	Amount of Transaction (₹ in crore)	Date(s) approval by the Board, if any	Amount paid as advances, if any (₹ in crore)
1.	Meerut Budaun Expressway Limited (MBEL)	Associate	Implementation of the Ganga Expressway Project through JV with affiliates of GIC Private Limited on arm's length basis	Project implementation agreement (PIA): 10 years (to be renewed periodically)  Equity investment: Over the construction period (in multiple tranches)  Debt financing: Over the concession period (in multiple tranches)  Corporate guarantee, pledge and security	1) Entering into a Project Implementation Agreement and appointment of the Company as the project manager of MBEL  2) To provide loans to MBEL or subscribe to non-convertible debentures or other debt instruments of MBEL  3) To make investments (directly or indirectly) for infusing capital into MBEL  4) Providing corporate guarantees/ undertakings, pledge of shares of MBEL and any other forms of comfort or security	Estimated Aggregate Value ₹ 14,206 crore	August 22, 2022	Nil
2.	Meerut Budaun Expressway Limited ("MBEL") IRB Infrastructure Trust ("Private InvIT")	Associate	Approval of members has been accorded to sell, convey, transfer, assign, deliver or otherwise dispose off the whole of the undertaking/subsidiary of the Company, comprised of MBEL to the IRB Infrastructure Trust and related actions, on an arms-length basis	At any time after (a) the project held by MBEL ("Project") achieves completion of at least 50% of the construction or expends at least 50% of the total capital cost set forth in the financial package for the Project or (b) the Project otherwise becomes eligible to be transferred to the Private InvIT	Approval accorded for all arrangements relating to implementation of Ganga Expressway Project by the Company such that the Company's 51% contribution to Project continues even after the transfer, with the Company holding 51% of the units in the Private InvIT.	Estimated Aggregate Value ₹ 14,206 crore	August 22, 2022	Nil

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of Contracts / Agreements / Transactions	Durations of the Contracts / Agreements / Transactions	Salient Terms of the Contracts or Arrangements or Transactions	Amount of Transaction (₹ in crore)	Date(s) approval by the Board, if any	Amount paid as advances, if any (₹ in crore)
3.	Paisit Dankuni Tollway Private Limited (PDTPL) IRB Infrastructure Trust (Private InvIT), Confirming Party	Associate	To continue with the Related Party Transactions with PDTPL, which have been entered into on an arm's length basis and in its ordinary course of business.  i) Project Implementation Agreement (PIA): to act as the Project Manager to PDTPL for undertaking EPC and O&M works, as set out below:  EPC Cost: for construction period of 2.5 years;  O&M Cost: until the end of the concession period.  ii) Corporate Guarantee, non-disposal undertakings, pledge of shares, hypothecation of assets and other securities	Project implementation agreement (PIA) : 10 years (to be renewed subsequently at periodic intervals on arm's length)	1) Project implementation Agreement (EPC & O&M) with PDTPL under which the Company was appointed as Project Manager  2) Provide corporate guarantee, non-disposal undertakings, pledge of shares, hypothecation of assets and other securities to senior lenders	Estimated Aggregate Value ₹ 5,248	August 22, 2022	Nil

## ANNEXURE I

### ANNUAL REPORT ON CSR ACTIVITIES

IRB Group believes in making meaningful and lasting contribution to the societies in which we operate. Being engaged in the development of infrastructure facilities, we clearly realise that the foundations are the bedrock upon which all the future progress will be made. Hence, the Group values and ardently promotes activities which contribute in building strong foundations of the society in which we operate. Under the guidance of the Board, the Group Companies has formulated CSR Policy which enables them to take up initiatives in various activities like providing education & healthcare, promoting gender equality, measures for the welfare of the armed forces, etc.

Details to be given in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as given below:

#### FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT:

1. Brief outline on CSR Policy of the Company.

Your Company believes in making meaningful and lasting contribution to the societies as a responsible corporate citizen. Accordingly, the Company has formulated its CSR policy in line with the CSR Policy of the Group.

2. The Composition of the CSR Committee.

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Virendra D. Mhaiskar	Chairman	1	1
2.	Mrs. Deepali V. Mhaiskar	Member	1	1
3.	Mr. Sandeep J. Shah	Member	1	1
4.	Mr. Jose Angel Tamariz Martel Goncer	Member	1	1

3. The composition of CSR committee, CSR Policy and CSR projects approved by the board is available on www.irb.co.in

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable**

5. a) Average net profit of the Company as per sub-section (5) of section 135: ₹ 1,693.71 Million.  
b) Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 33.87 Million.  
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL  
d) Amount required to be set off for the financial year, if any: NIL  
e) Total CSR obligation for the financial year (b+c-d): ₹ 33.87 Million.

6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 3,40,00,000/-  
b) Amount spent in Administrative Overheads: NIL  
c) Amount spent on Impact Assessment, if applicable: NIL  
d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 3,40,00,000/-  
e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
3,40,00,000			NIL		

- f) Excess amount for set-off, if any:

Sr No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	3,38,74,186
(ii)	Total amount spent for the Financial Year	3,40,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1,25,814
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1,25,814

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to any fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any.		Amount remaining to be spent in the succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-1							
2	FY-2				Not Applicable			
3	FY-3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: No

If yes, enter the number of Capital assets created / acquired: Not Applicable

The details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year:

Sl. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

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

SD/-

**Virendra D. Mhaiskar**

(Chairman & Managing Director & Chairman of Corporate Social Responsibility Committee)

## ANNEXURE J

The ratio of the remuneration of each Directors to the median employee's remuneration and other details in terms of sub-section (12) of the Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Requirements	Disclosure*
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year	Chairman and Managing Director – 19.42X Whole Time Director 14.33X
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year	Chairman and Managing Director – 10% Whole Time Director – 10% Company Secretary – 8.95% CFO – 62.34% CEO – N.A. (received director remuneration from subsidiary)
3	The percentage increase in the median remuneration of employees in the financial year	8%
4	The number of permanent employees on the rolls of the Company	There were 32 employees as on March 31, 2023
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The average annual increase in the salaries of employees other than the managerial personnel was 19.44%.
6	Affirmation that the remuneration is as per the managerial remuneration policy of the Company	Yes, it is confirmed

\* Excluding Performance Incentive/Commission

## ANNEXURE K

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT FY 2022-23

#### SECTION A: GENERAL DISCLOSURES

##### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity	L65910MH1998PLC115967
2. Name of the Listed Entity	IRB Infrastructure Developers Limited
3. Year of incorporation	1998
4. Registered office address	Off No-11th Floor / 1101 Hiranandani Knowledge Park, Technology Street, Hill Side Avenue, Powai, Mumbai 400 076
5. Corporate address	3rd Floor, IRB Complex, Chandivali Farm, Chandivali Village, Andheri (E), Mumbai - 400072
6. E-mail	info@irb.co.in
7. Telephone	022- 6640 4220
8. Website	www.irb.co.in
9. Financial year for which reporting is being done	April 1, 2022 – March 31, 2023
10. Name of the Stock Exchange(s) where shares are listed	1. National Stock Exchange of India Limited (NSE) 2. BSE Limited (BSE)
11. Paid-up Capital	₹ 6,039 million
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Rishikesh Ahirrao, info@irb.co.in +022 67336400 +022 40536400
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	The disclosures under this report are made on consolidated basis for IRB Infrastructure Developers Limited, hence Business Responsibility and Sustainability (BRS) initiatives are extended to the Subsidiary Companies and its Joint Ventures.

##### II. Products/services

##### 14. Details of business activities (accounting for 90% of the turnover):

S. no.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
	Construction, Maintenance of Roads and Toll Operation*	Highway Infrastructure Development	100%

\* The company is India's leading Highway Infrastructure Developer and owns 24 long term Highway Asset concessions through its three listed entities – IRB Infra & two InvITs. It Bids, Develops and Maintains these assets with inhouse capabilities of providing Construction and O&M assistance (no third party EPC work undertaken).

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

S. no.	Product/service	NIC Code	% of total Turnover contributed
	Construction, Maintenance of Roads and Toll Operation*	42101	100%

\* The company is India's leading Highway Infrastructure Developer and owns 24 long term Highway Asset concessions through its three listed entities – IRB Infra & two InvITs. It Bids, Develops and Maintains these assets with inhouse capabilities of providing Construction and O&M assistance (no third party EPC work undertaken).

##### III. Operations

##### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	30	2*	32
International	NIL	NIL	NIL

\* includes corporate office and registered office

**17. Markets served by the entity:****a. Number of locations**

Locations	Numbers
National (No. of States)	11
International (No. of Countries)	NIL

**b. What is the contribution of exports as a percentage of the total turnover of the entity?**

NIL

**c. A brief on types of customers**

Being an infrastructure and construction Company, our major clients include departments and ministries of State and Central Government, as well as toll road commuters.

**IV. Employees****18. Details as at the end of Financial Year:****a. Employees and workers (including differently abled)**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	3,262	3,209	98.38%	53	1.62%
2.	Other than Permanent (E)	2,473	2,398	96.97%	75	3.03%
3.	Total employees (D + E)	5,735	5,607	97.77%	128	2.23%
<b>WORKERS</b>						
4.	Permanent (D)	101	63	62.38%	38	37.62%
5.	Other than Permanent (E)	*				
6.	Total workers (D + E)	101	63	62.38%	38	37.62%

\*IRB engages with local workers around the project sites through local labour agencies, as per the workforce requirement of the project. At site level it maintains the labour records on a regular basis.

**b. Differently abled Employees**

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	7	7	100%	NIL	NIL
2.	Other than Permanent (E)	NIL	NIL	NIL	NIL	NIL
3.	Total differently abled employees (D + E)	7	7	100%	NIL	NIL
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (D)					
5.	Other than Permanent (E)			NIL		
6.	Total differently abled workers (D + E)			NIL		

**19. Participation/Inclusion/Representation of women**

	Total	No. and percentage of Females	
	(A)	No. (B)	%(B / A)
Board of Directors	8	2	25%
Key Management Personnel	3	NIL	NIL

**20. Turnover rate for permanent employees and workers**

	Turnover rate in FY 2022-23			Turnover rate in FY 2021-22			Turnover rate in FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11.92%	11.43%	11.91%	8.54%	9.26%	8.55%	14.15%	34.59%	14.56%
Permanent Workers	2%	NIL	2%	1%	NIL	1%	NIL	NIL	NIL

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****21 (a) Names of holding / subsidiary / associate companies / joint ventures**

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Modern Road Makers Private Limited	Subsidiary	100%	Yes
2	IRB Ahmedabad Vadodara Super Express Tollway Private Limited	Subsidiary	100%	Yes
3	Mhaskar Infrastructure Private Limited	Subsidiary	100%	Yes
4	Thane Ghodbunder Toll Road Private Limited	Subsidiary	100%	Yes
5	IRB Kolhapur Integrated Road Development Company Private Limited	Subsidiary	100%	Yes
6	ATR Infrastructure Private Limited	Subsidiary	100%	Yes
7	Ideal Road Builders Private Limited	Subsidiary	100%	Yes
8	Aryan Toll Road Private Limited	Subsidiary	100%	Yes
9	GE1 Expressway Private Limited	Subsidiary	100%	Yes
10	IRB PS Highway Private Limited	Subsidiary	100%	Yes
11	IRB Sindhudurg Airport Private Limited	Subsidiary	100%	Yes
12	IRB Infrastructure Private Limited	Subsidiary	100%	Yes
13	Aryan Infrastructure Investments Private Limited	Subsidiary	100%	Yes
14	Aryan Hospitality Private Limited	Subsidiary	100%	Yes
15	IRB MP Expressway Private Limited (formerly known as NKT Road & Toll Private Limited)	Subsidiary	100%	Yes
16	IRB Goa Tollway Private Limited	Subsidiary	100%	Yes
17	MRM Mining Private Limited	Subsidiary	100%	Yes
18	VM7 Expressway Private Limited	Subsidiary	100%	Yes
19	Pathankot Mandi Highway Private Limited	Subsidiary	100%	Yes
20	Chittoor Thachur Highway Private Limited	Subsidiary	100%	Yes
21	Meerut Budaun Expressway Limited	Joint Venture	51%	Yes
22	Samakhiali Tollway Private Limited	Subsidiary	100%	Yes
23	MMK Toll Road Private Limited	Joint Venture	51%	Yes
24	IRB Infrastructure Trust	Joint Venture	51%	Yes



S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
25	IRB Westcoast Tollway Limited	Joint Venture	51%	Yes
26	Solapur Yedeshi Tollway Limited	Joint Venture	51%	Yes
27	Yedeshi Aurangabad Tollway Limited	Joint Venture	51%	Yes
28	Kaithal Tollway Limited	Joint Venture	51%	Yes
29	AE Tollway Limited	Joint Venture	51%	Yes
30	Udaipur Tollway Limited	Joint Venture	51%	Yes
31	CG Tollway Limited	Joint Venture	51%	Yes
32	Kishangarh Gulabpura Tollway Limited	Joint Venture	51%	Yes
33	IRB Hapur Moradabad Tollway Limited	Joint Venture	51%	Yes
34	Palsit Dankuni Tollway Private Limited	Joint Venture	51%	Yes

## VI. CSR Details

### 22.

- (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes
- (ii) Turnover (in ₹) 67,033.14 Million
- (iii) Net worth (in ₹) 1,33,788.99 Million

## VII. Transparency and Disclosures Compliances

### 23. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, IRB has various codes and policies to engage with the stakeholders to provide effective grievance redressal mechanism. For more details, please refer our website: <a href="https://www.irb.co.in/home/investors-relations-code-policies/">https://www.irb.co.in/home/investors-relations-code-policies/</a> and for the grievances and feedback please refer <a href="https://www.irb.co.in/home/contact-us-2/">https://www.irb.co.in/home/contact-us-2/</a>	NIL	NA		NIL	NA	
Investors (other than shareholders)		NIL	NA		NIL	NA	
Shareholders		102	NIL		99	NIL	
Employees and workers		NIL	NA		NIL	NA	
Customers		NIL	NA		NIL	NA	
Value Chain Partners		NIL	NA		NIL	NA	
Other (please specify)		NIL	NA		NIL	NA	

### 24. Overview of the entity's material responsible business conduct issues

Indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Economic Performance	Risk & Opportunity	The Company's financial performance is largely driven by revenue from construction & maintenance contracts and tolls. While toll revenue is largely driven by toll rates and traffic growth, construction revenue is recognized over the course of the projects based on the percentage of completion.	Revision of toll rates is linked with "Wholesale price index" or periodical increase clause as per Concession Agreement. Rapid economic development increases traffic growth while low economic activity has a negative impact. Low economic activity would lead to higher inflation which compensates the negative impact. Development of industrial corridors alongside our road assets are expected to boost traffic growth which ultimately helps toll revenue growth. We use risk assessment, mitigation and contract management, to manage the risks associated with EPC projects. Also, with respect to increase in input cost such as raw materials, the Company has been instrumental in getting competitive pricing from its bulk purchases.	Positive and Negative
2	Corporate Governance	Opportunity	Effective governance practices are adhered by way of maintaining highest level of compliance to code of conduct and ethics throughout the Company's business activities and operations. Good corporate governance practices enable in gaining the trust from the stakeholders such as investors, value chain partners, customers, employees and communities.	Diverse leadership of the Company such as Board of Directors, Key Management Personnel possess required expertise, skill and experience to effectively manage and lead the Company to attain its goals. The Company has robust policies and standard operating procedures as a guiding instrument for its people to ensure ethical behavior transparency and responsibly.	Positive
3	Regulatory Compliance	Opportunity	Adhering to regulatory compliances aids in operating and driving the Business activities smoothly. Protecting stakeholder interest as well as the public interest requires regulatory compliance, which is essential to maintaining the integrity of business processes.	The Company is driven by Business Responsibility policies as put forth by the Principles of NGRBC, the Companies Act, 2013 and other applicable laws and regulations. The policies are written in accordance with the relevant regulatory requirements and are complied in timely manner.	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Materials	Risk	Company requires raw materials such as bitumen, stone aggregates, cement and steel that involve logistics, storage and handling of materials and products. The Company is required to ensure regular supply and adequate inventory of raw materials to avoid any operational disruptions, which has the risk of cost escalations and shortage of raw materials.	The Company is ensuring robust raw material inventory management across its project sites. The Company regularly engages with its value chain partners such as raw material suppliers, logistic partners, dealers to ensure effective inventory planning. The Company is conscious of its impact on environment and society. As a result, this ensures minimum negative impact through responsible sourcing, recycling and by following policies and procedures to use high-quality materials from ethical and sustainable sources.	Negative
5	Energy	Risk & Opportunity	Plants & Machineries consume energy while producing construction materials. Increase in input fuel cost of power generation often leads to increase in energy usage cost and at some remote worksites, the availability of power becomes challenging and hence the requirement of portable diesel generators further impacts environment & cost of operation.	We are committed to reduce energy consumption by implementing energy efficient practices and technologies. We are upgrading the plants and machineries with latest version, which improves overall efficiency and reduces operating cost. We further wish to reduce our dependence on fossil-fuel based power generation and inculcate practice of procuring green energy wherever possible.	Negative and Positive
6	Water	Risk & Opportunity	Efficient water stewardship and usage helps in reducing negative impact on groundwater depletion and water contamination. Water is one of the key resources for construction activities and we acknowledge the fact that the availability of water across the country varies.	We recognize water as a shared resource and a precious commodity. The Company is not only committed to the judicious use of water resources but also ensures the effective management of the water from activities (sourcing, consumption, recycling) as per the guidelines and standard practices. Being a responsible company, we have adopted sustainable water management initiatives across operations to optimize water consumption.	Negative and Positive
7	Emission Reduction	Opportunity	Carbon emission is considered as the primary driver of global climate change. The scientific studies have proven that carbon emissions from industries strengthen the greenhouse effect, and thus making it essential for the companies to manage effectively.	We understand climate change risk and we are responsible towards reducing carbon emissions. The Company's Sustainability Report reflects commitment to reduce emissions by adopting Sustainable practices.	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Waste Management	Opportunity	The Company ensures compliance with the waste management as per the guidelines of CPCB and SPCB on hazardous waste, plastic waste, e-waste, battery waste and other non-hazardous waste.	The Company monitors its waste management activities and focuses on reducing the waste generation by adopting effective management system.	Positive
9.	Employee Development and Engagement	Opportunity	Employee engagement is based on mutual trust, integrity, commitment and communication. Continued skill upgradation and training have led to a pool of adequately trained and experienced people ready to take on challenging tasks, nurturing them for higher roles and responsibilities.	We provide training on latest technical developments and emerging technologies related to the construction of roads & structures, toll operations, collection processes and road maintenance activities. We also provide training on other professional skill-building programme such as effective customer interaction, stress management, communication and leadership skills.	Positive
10	Diversity	Opportunity	As an organization, we believe that a diverse workforce can broaden workplace knowledge and experience, enhance output and help generate innovative ideas and thoughts. Our construction project employees come from all across the country. Despite carrying regional diversity, we continue to forge common moral values, work ethics and understanding through our well-designed management policies.		Positive
11	Occupational Health and Safety	Opportunity	The Company strongly advocates health and safety practices and is completely committed to providing a safe and healthy workplace for all its employees and project sites. We have provided a safe and healthy work environment by establishing operating procedures and practices that protect employees from ill health and injury. We are committed to provide adequate resources to ensure all EHS compliances & maintain a zero-tolerance policy when it comes to health & safety.	We, ensure that health & safety processes are monitored, audited and reviewed to identify trends, implement control measures and stay compliant with regulatory guidelines.	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12	Local Communities	Risk & Opportunity	Engaging with local community helps the Company in meeting the overall development objectives by creating a shared value for business and communities. Contribution through CSR programmes towards societal welfare is encouraged.	The Company is committed to build meaningful relationships with the local communities where we operate. We believe that, by engaging with communities early and often, complying with local regulations and managing public relations effectively, we can redress any grievance.	Negative & Positive
13	Human Rights Assessment	Opportunity	As we are operating around the country and engaging with several stakeholders which includes communities, commuters, regulatory authorities, value chain partners, employees and workers.	We have dedicated policy for Human Rights, which act as a guiding instrument for us to respect and implement best practices. We acknowledge and respect the rights of all stakeholders by ensuring adequate grievance redressal mechanism.	Positive
14	Technology and Innovation	Risk & Opportunity	We acknowledge the role of IT, digitization, technological innovation, that requires systematic and gradual adaption and skillset to manage and monitor the performance.	We endeavor to adapt new technologies, which may offer some challenges in the beginning, but will be gradually addressed by adapting to new processes through continuous learning and development sessions.	Negative and Positive
15	Circular Economy	Opportunity	Resource efficiency and use of efficient material are important factors in business. Effective material planning and adhering to waste management guidelines enable the Company to cause minimum negative impact on the environment and business. The Company has adopted 3 R principle (Reduce, Recycle and Reuse) in context to effective management of materials and waste.		Positive

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

### Disclosure Questions

Policy and management processes		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available*	https://www.irb.co.in/home/investors-relations-code-policies/								
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners? (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, and Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	IRB is in a process of implementation of Integrated Management System (ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018).								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	IRB has started its ESG journey in financial year 2022. As of now IRB is managing and reporting on its ESG performance through the Sustainability Report.								
6.	Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	IRB has started its ESG journey in financial year 2022. As of now IRB is managing and reporting on its ESG performance through the Sustainability Report.								

\*Weblink of the policies

### Governance, leadership, and oversight

7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	As the world is stepping into a new era of possibilities, IRB is happy to contribute in creating and building the resilient and future ready infrastructure.  Acknowledging the challenges posed by climate change and the global risks, IRB has aligned its processes towards resource efficiency, which includes circular economy and energy efficiency with an objective to reduce carbon footprint of the group. With this BRSR, we would like to share our ESG initiatives, focus areas and progress made with our stakeholders.								
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Sudhir Rao Hoshing Chief Executive Officer +022 67336400 +022 40536400								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, IRB has an ESG committee, which regularly discusses the issues related to sustainability.								
10.	Details of Review of NGRBCs by the Company:									

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	All the policies of the Company are approved and reviewed periodically by the Board.								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company complies with the regulations and applicable laws. The Company has implemented enterprises compliance management tool for effectively managing the statutory compliances. The software tool enables the Company to stay updated with the regulatory changes and ensure compliance management.								

Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)	The policies are reviewed periodically and updated on a need basis.								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes, Suresh Surana and Associates LLP.								
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not Applicable								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**



This principle represents entity's values and provides information about the governance structure of the organization. It is an overview of compliance management and corporate governance practices adopted by the Company.

IRB is establishing a high standard for governance by demonstrating a "good faith effort" to prevent illegal activity, which lowers the financial risks related to government sanctions for unethical behavior.

### Essential Indicators

#### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training	%age of persons in respective category covered by the awareness programmes
Board of Directors	6	Environment, Health & Safety ESG, BRSR Risk Management, POSH.	100%
Key Managerial Personnel	5	Anti-discrimination, Human Rights, Environment, Health & Safety ESG, BRSR Risk Management, POSH.	100%
Employees other than BoD and KMPs	606	Anti-discrimination, Human Rights, POSH, Environment, Health & Safety Topics, Toll Induction	100%
Workers	1,193	Anti-discrimination, Human Rights, POSH, Staff Behavior/ Discipline / Dress code /Alertness, FASTag Awareness, Toll fee notification / Over Weight Guidelines, Safety Cleanliness & Hygiene, Awareness on services at toll plaza such as Ambulance / Crane / Drinking Water etc.	100%

#### 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

##### Monetary

NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine				
Settlement		NIL		
Compounding fee				

##### Non- Monetary

NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment			
Punishment			

#### 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

#### 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has a policy for anti-corruption and anti-bribery. The purpose of the policy is to ensure that the IRB Group, its directors, executives, employees and intermediaries adhere to high standards of integrity, transparency and compliance with the law. The policy aims to prevent involvement in bribery, facilitation payments, corruption and money laundering. It reinforces the organization's commitment to comply with all applicable laws and regulations, including anti-bribery and anti-corruption (ABAC) laws. Additionally, the policy establishes a framework for vigilance, oversight, and management of compliance risks, aiming to avoid any unethical practices by promoting a culture of business ethics within the organization.

<https://www.irb.co.in/home/wp-content/uploads/2022/11/Anti-bribery-Anti-corruption-Anti-Money-Laundering-Policy.pdf>

#### 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

There were no instances of any disciplinary action taken by any law enforcement agency for the charges of bribery/ corruption against Directors/KMPs/employees/workers.

Particulars	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

#### 6. Details of complaints with regard to conflict of interest:

Particulars	FY 2022-23 Current Financial Year		FY 2021-22 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	-	NIL	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable.

#### Leadership Indicators

##### 1. Awareness programs conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
157	ESG, Health & Safety	Not evaluated

##### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If, Yes, provide details of the same.

Yes, the Company receives periodic / ongoing declarations (as the case may be) from its Board members on the entities they are interested in and ensures requisite approvals as required under the statute. Apart from this the Company policies are in place before transacting with such individuals / entities. Further, we have adopted Code of Conduct for the Board of Directors, which sets out clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company.

#### PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe



This Principle encourages organization to disclose its focus and initiatives around research and development with its impact on society and on the environment. Disclosure requires reporting of sourcing and procurement practices effective management of waste across the project and product life cycle to ensure business sustainability with social and environment stewardship.

#### Essential Indicators

##### 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	Details of improvements in environmental and social impacts
R&D*	-	-	
Capex	265.6 million	371.8 million	**

\* The Company's R&D expenditure includes the cost of reducing social and environmental risks. Since these are integral to the project costs, it is not feasible to identify them separately.

\*\*IRB is taking initiative to add renewable energy in overall energy portfolio, which serves as our commitment towards sourcing clean energy. In FY 23, IRB installed LED lights in Gulabpura-Chittorgarh and Kisangarh to Gulabpura Package-I projects and procured BS-VI vehicles as a part of reducing emissions and adopting cleaner transportation options.

In the previous fiscal year, FY 22, the company invested in new generation machinery and vehicles with BS-VI Standards. This investment suggests a focus on upgrading and modernizing the company's equipment and fleet to enhance productivity and efficiency. Such transitions to low carbon operation have resulted in a positive impact on the environment.

##### 2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, by conducting comprehensive assessment during the onboarding of value chain partners, the company takes a proactive approach by assessing factors such as quality, capacity, health, safety, environment and local regulatory compliance. It has mandated its suppliers to follow IRB's Code of Conduct, Human Rights and HSW policies. <https://www.irb.co.in/home/investors-relations-code-policies/>

##### b. If yes, what percentages of inputs were sourced sustainably?

The Company extends ESG questionnaire with the value chain partners on a regular basis. Through this questionnaire, they are assessed on the ESG parameters and it has more than 50% coverage.

##### 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

With respect to the material and waste management, the Company does not have any specific product to reclaim at the end of life. However, during project operation, the company encourages resource efficiency with minimum waste generation and effectively manages its e-waste, hazardous waste and plastic waste.

##### 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

EPR is not applicable as the major business of the Company is road construction. However, waste management is in place, which is developed in accordance with 3R (Reduce, Reuse, Recycle) principle and updated as per the regulatory requirement.

#### Leadership Indicators

##### 1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of product/ service	% of total turnover contributed	Boundary for which the life cycle perspective/ assessment was conducted	Whether conducted by an independent external agency	Results communicated in public domain (Yes/No)
No	No	No	No	No	No

Note: The Company has not undertaken Life Cycle Assessment for its construction activities. Although the Company is monitoring and managing the effective and efficient resource utilization at each stage of its business and operational activities.

##### 2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of product/ Service	Description of the risk/ concern	Action Taken
Not Applicable	Not Applicable	Not Applicable

3. *Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).*

Indicate Input Material	Recycled or re-used input material to total material	Recycled or re-used input material to total material
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
	Pond-ash substitute of soil	Quantity: 68.81% Value: 91.01%
M-sand substitute of natural sand	Quantity: 77.51% Value:59.63%	-
Iron Slag Boulder substitute of aggregate	Quantity: 10.78% Value:7.01%	-
Cement substitution by Ground granulated blast furnace slag (GGBS)	Quantity: 2.20% Value:1.37%	0%*

\*In FY 22, the Company has undertaken a pilot project where 16% of cement was substituted by fly-ash at one of its project site.

Note: The above calculations are based on quantity procured and value both.

4. *Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed*

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re- used	Recycled	Safely Disposed	Re- used	Recycled	Safely Disposed
	Plastics (including packaging)	-	-	63.26	-	-
E-Waste	-	6.27	-	-	-	1.51
Hazardous Waste	-	-	24.76	-	-	13.35
Construction Waste	25,970.95	97,201.12	-	-	94,146.76	21,200.39
Other Waste	-	4.10	3,484.33	-	-	1,207.38

Not Applicable.

With respect to the material and waste management, the Company does not have any specific product to reclaim at the end of life. However, during project operation, the company encourages resource efficiency with minimum waste generation and effectively manages its e-waste, hazardous waste and plastic waste.

5. *Reclaimed products and their packaging materials (as percentage of products sold) for each product category.*

Indicate Product Category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**



This Principle encompasses all policies & practices of an organization for the well-being of its people with respect to the equal opportunity, diversity, health and safety, employee engagement and performance review, learning and development.

IRB's Code of Conduct, Business Practices and Handbook on Company's policies provides guidelines for employee well-being relating to participation, freedom, equality and harassment-free workplace. The safety of the women employees of the Company is secured by IRB's policy on 'Prevention of Sexual Harassment.' Employee related policies are updated on timely basis in line with the amendments in laws applicable for employee's welfare. At IRB, learning is a continuous process and hence training programs, team building sessions and workshops on various subjects were conducted. These initiatives pave a path towards strengthening capabilities and creating a positive impact on the attitude of the employees.

**Essential Indicators**

1. a. *Details of measures for the well-being of employees:*

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
<b>Permanent Employees</b>											
Male	3,209	2,032	63%	1,408	44%	NA	NA	**	**		
Female	53	27	51%	0	0%	53	100%	NA	NA		NIL
<b>Total</b>	<b>3,262</b>	<b>2,059</b>	<b>63%</b>	<b>1,408</b>	<b>43%*</b>	<b>53</b>	<b>100%</b>	-	-		
<b>Other than Permanent Employees</b>											
Male	2,398	1,978	82%	303	13%	NA	NA	**	**		
Female	75	17	23%	0	0%	75	100%	NA	NA		NIL
<b>Total</b>	<b>2,473</b>	<b>1,995</b>	<b>81%</b>	<b>303</b>	<b>12%*</b>	<b>75</b>	<b>100%</b>	-	-		

\*IRB is in a process of formally extending insurance benefits to all set of employees.

\*\*Employees are encouraged to take available privilege leave on such occasions.

b. *Details of measures for the well-being of workers:*

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
<b>Permanent workers</b>											
Male	63	NA	NA	63	100%	NA	NA	*	*		
Female	38	NA	NA	38	100%	38	100%	NA	NA		NIL
<b>Total</b>	<b>101</b>	<b>NA</b>	<b>NA</b>	<b>101</b>	<b>100%</b>	<b>38</b>	<b>100%</b>	-	-		

\* Employees are encouraged to take available privilege leave on such occasions

**Other than Permanent workers**

Male	IRB engages with local workers around the project sites through local labour agencies, as per the workforce requirement of the project. The labour records are maintained on regular basis at site level.
Female	
Total	

**2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.**

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	100%	100%	Y	100%	100%	Y
Others Please Specify						

Note	<b>FY 2022-23 Employees</b> PF: All permanent and contractual employees are covered. Gratuity: 58.17% of the total employees are permanent employees. 100% permanent employees covered under gratuity ESI: All eligible employees are covered. <b>FY 2022-23 Workers</b> PF & Gratuity: All workers are covered. ESI: All eligible workers are covered.	<b>FY 2021-22 Employees</b> PF: All permanent and contractual employees are covered. Gratuity: 55.63% of the total employees are permanent employees. 100% permanent employees covered under gratuity ESI: All eligible employees are covered. <b>FY 2021-22 Workers</b> PF & Gratuity: All workers are covered. ESI: All eligible workers are covered.
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**3. Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

A dedicated HR SPOC and wheelchair accessibility are proactive measures made to address Persons with Disabilities issues of any kind. Further to this, the Company is in process of making all the required premises accessible for differently abled employees & workers.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy**

The Company nurtures an inclusive culture that does not discriminate on the basis of religion, gender, caste or disabilities and has a policy for equal opportunity for all. The Company has a Human Rights Policy that aims to protect human rights and reinforce the culture of inclusivity and equality within our organization. The equal opportunity statement can be viewed at <https://www.irb.co.in/home/careers/>

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Employees are encouraged to take available privilege leave on such occasions			
Female	25%	NA*	NA**	NA**

\*12 months period was not completed as on March 31, 2023.

\*\* For the FY 23, the female workers have not applied for maternity leaves.

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes, the Company has grievance redressal mechanism wherein grievances can be raised through e-mails to the respective function owner and resolved through the respective HR and Admin function.
Other than Permanent Employees	
Permanent Workers	
Other than Permanent Workers	

**7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:**

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
<b>Total Permanent Employees</b>	3,262	304	9.32%	3,338	164	4.91%
Male	3,209	303	9.44%	3,285	163	4.96%
Female	53	1	1.89%	53	1	1.89%
<b>Total Permanent Workers</b>	101	101	100%	104	104	100%
Male	63	63	100%	66	66	100%
Female	38	38	100%	38	38	100%

**8. Details of training given to employees and workers:**

Category	FY 2022-23 Current Financial Year				FY 2021-22 Previous Financial Year			
	Total (A)	On Health and safety measures		On Skill upgradation	Total (A)	On Health and safety measures		On Skill upgradation
	No. (B)	% (B / A)	No. (C)	% (C / A)	No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>								
Male	5,607	5,607	100%		5,969			
Female	128	128	100%		114			
<b>Total</b>	<b>5,735</b>	<b>5,735</b>	<b>100%</b>	<b>543</b>	<b>9.47%</b>	<b>6,083</b>		
<b>Workers</b>								
Male	63	63	100%		66	66	100%	
Female	38	38	100%		38	38	100%	
<b>Total</b>	<b>101</b>	<b>101</b>	<b>100%</b>		<b>104</b>	<b>104</b>	<b>100%</b>	

We have several programs on Skill-upgradation to cater to the requirement of business and operations.

We also ensure adequate health & safety awareness and trainings to all our employees & workers at all our locations.

We have several programs on Skill-upgradation to cater to the requirement of business and operations. We also ensure adequate health & safety awareness and trainings to all our employees & workers at all our locations.

For workers, we had conducted several programs on a regular basis. The Company has an established platform for trainings and awareness for the people.

9. *Details of performance and career development reviews of employees and worker:*

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	5,607	4,918	87.71%	5,969	5,118	85.74%
Female	128	96	75.00%	114	60	52.63%
Total	5,735	5,014	87.43%	6,083	5,178	85.12%
<b>Workers</b>						
Male	63	63	100%	66	66	100%
Female	38	38	100%	38	38	100%
<b>Total</b>	<b>101</b>	<b>101</b>	<b>100%</b>	<b>104</b>	<b>104</b>	<b>100%</b>

Note: The employees who are eligible as per the Appraisal cycle are considered for performance & career development reviews.

10 *Health and safety management system:*

a. *Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?*

Yes, an occupational health and safety management system is implemented & monitored in our organization to manage and improve health and safety performance, in line with IRB's Vision, Mission and Health Safety Welfare Policy. It involves establishing policies, procedures & practices to identify and control workplace hazards, promote employee well-being and comply with relevant regulations across construction projects, operation & maintenance sites, toll plazas and offices. We are also in the process of adopting ISO 45001: 2018 within the organization.

b. *What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?*

The company implements a systematic hazard identification and risk management process to control hazards in routine and non-routine activities. It follows a five-step approach, including identification, assessment, mitigation, monitoring and reporting. Stakeholders, including management staff and workers are part of approving Hazard Identification & Risk Assessments and work methodologies before commencing activities. A Safety Committee oversees operational safety, ensuring equal representation from management and workers. Monthly meetings discuss safety updates, address concerns and review future action plans.

c. *Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)*

Yes, we have developed the necessary SOP's & formats for reporting all type of hazard and incidents including the root cause analysis. We encourage all the workers to report near miss/incidents and take assistance from their respective supervisor if required. In addition to this, we have created adequate awareness on our health and safety management system.

d. *Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)*

Yes, all our employees and workers have access to healthcare facilities. First aid facilities are available for both employees and workers at workplaces and project sites. Regular health camps are being organized across the project locations on occasion like World Health Day, Woman's Day etc. The Company also creates adequate awareness programs on healthcare. Further, in case of any accident or emergency we have tie-ups with nearest Hospitals for both employees & workers.

11. *Details of safety related incidents, in the following format:*

Safety Incident/Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0.06
	Workers	0.41	0.26
Total recordable work-related injuries	Employees	0	1
	Workers	6	4
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. *Describe the measures taken by the entity to ensure a safe and healthy work place.*

With Occupational Health and Safety, we ensure that safety performance, systems and equipment are monitored, audited, and reviewed to identify trends, measure progress and assess compliance. Which is at the core of operations and we are committed to ensuring safety of our employees & other stakeholders. The Company complies with health and safety standards such as the National Road Safety Policy and NHAI Safety Manual. The IRB Group undertakes audit schedule which helps in conducting reviews of the plan at regular intervals. We have provided and maintained a safe and healthy work environment by establishing safe operating procedures and practices that protect employees from ill health and injury apart from providing all necessary personal protective equipment (PPE). We are committed to provide adequate resources to ensure all EHS compliances & maintain a zero tolerance policy when it comes to health & safety.

*Various Initiatives Undertaken at Workplace:*

- Daily Environment, Health and Safety (EHS) Inspection
- Hazard Identification & Risk Assessment (HIRA)
- Incident Reporting & Investigation
- EHS Training
- Health & Well-Being and
- Participation, Consultation & Communication of Employees in EHS initiatives.

13. *Number of Complaints on the following made by employees and workers:*

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NA	-	NIL	NA	-
Health & Safety	NIL	NA	-	NIL	NA	-

14. *Assessments for the year:*

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%



15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No significant concerns were raised during the reporting period and neither was there any lapse on the statutory compliance part. Still we have initiated corrective actions mentioned below based on the learning & findings of audit report and incidents:

1. Reviewed some of the SOPs and guidelines,
2. Participation, Consultation & Communication of Employees in EHS initiatives,
3. Safety audits by EHS team, Head Office,
4. Strengthening of incident management system,
5. Increase in Health and Safety Promotional Campaigns.

#### Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

(A) Yes, (B) Yes.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Clause stating adherence to the applicable statutory provisions including payment and deduction of applicable statutory dues is incorporated in the contract agreement of value chain partners. The Company makes ensure that all the relevant clauses dealing with compliance are validated and honored by both parties.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 Current Financial Year	FY 2021-22 (Previous Financial Year)	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes, the Company provides transition assistance programs.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	The Company extends ESG questionnaire with the value chain partners on a regular basis. Responses are reviewed to ensure if they have the necessary facilities of health and safety and working conditions. Through this questionnaire, they are assessed on the parameters of health and safety and working conditions with acknowledgment on IRB's policies.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

IRB is engaging with its value chain partners on a regular basis for the operational and business purposes; during the interaction IRB also communicates its policies and practices especially in context to the social aspects (health, safety and welfare).

#### PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders



This principle highlights the Company's approach to the stakeholder engagement. The Company should consider the expectations of all the stakeholders involved in the business activities, both (internal and external). Transparent and effective communication with all its stakeholders is recommended to address sustainability issues that are critical to its business operations.

#### Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

We are privileged to maintain a strong relationship with our investors based on a deep understanding of their expectations and the Company's consistent performance. IRB recognizes any individual, group or institution that contributes to the Company's value chain as a core stakeholder. We have taken a 360-degree review of our business value chain to identify our key stakeholder's groups and mapped stakeholder's engagement mechanism. There are six key stakeholder's groups critical to our success i.e. shareholders / investors, employees, value chain partners (suppliers & vendors), government authorities / regulators and the community.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders / Investors	No	<ul style="list-style-type: none"> <li>Quarterly reports, annual reports and press releases.</li> <li>Investor Meets and Annual General Meetings (AGMs), including virtual investor meets and virtual AGMs.</li> <li>Email, newspaper advertisement, website, intimation to stock exchanges, quarterly financials and investor meetings / conferences.</li> <li>Annual Report</li> <li>Sustainability Report</li> </ul>	On as needed basis	<ul style="list-style-type: none"> <li>AGMs/ EGMs allow shareholders to communicate directly with the Board of Directors and the Management.</li> <li>Quarterly Earnings calls, analyst meet allow investors &amp; analysts to engage with the management of Company on business strategy and performance.</li> <li>We have dedicated e-mail IDs through which our Investor service engages with shareholders to resolve their queries and grievances.</li> </ul>
Customers	No	<ul style="list-style-type: none"> <li>Customer satisfaction surveys</li> <li>Formal and Informal feedback</li> <li>Forum for quick customer query resolution and</li> <li>Email, SMS, advertisement, website, social media</li> <li>Sustainability Report</li> </ul>	On as needed basis	<ul style="list-style-type: none"> <li>Understanding their needs helps in determining products and services quality and pricing</li> <li>Product innovation development is guided by customer requirements</li> <li>Reduction in environmental and social impacts of products and services help customers meet their Sustainability Goals.</li> </ul>

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	<ul style="list-style-type: none"> <li>Intranet and in-house newsletters</li> <li>Employee Engagement Initiatives</li> <li>Performance dialogue and appraisals</li> <li>Email communications</li> </ul>	On as needed basis	<ul style="list-style-type: none"> <li>Employees help to attain business goals with their collective knowledge and experience, by initiating best-in-class people practices</li> <li>Benefits, culture and grievances</li> <li>Capacity building and career progression</li> <li>Human Rights aspects related to employee wellbeing</li> <li>Career development, diversity and equal opportunity, health and safety, skill upgradation, learning and development.</li> </ul>
Value chain partners (Suppliers and vendors)	No	<ul style="list-style-type: none"> <li>Regular supplier / vendor meets</li> <li>On-site quality audits of suppliers</li> <li>Vendor due diligence and prequalification meetings</li> <li>Tracking of suggestions from O&amp;M Partners for possible implementation</li> <li>Contract revision and negotiation meetings; and</li> <li>Email communication</li> <li>Annual Report</li> <li>Sustainability Report</li> </ul>	On as needed basis	<ul style="list-style-type: none"> <li>Critical to ensure operational efficiency through timely supplies and logistical efficiency</li> <li>Vital to our goals of sustainability and responsible sourcing &amp; Safety of workers and workplace</li> <li>New business opportunities, supplier transparency, Business Partner Code, sustainability and ESG, value chain efficiency, payments, and purchase prices.</li> </ul>
Government authorities / regulators	No	<ul style="list-style-type: none"> <li>Scheduled meetings</li> <li>Regular liaising Industry forums</li> <li>Inspection conducted at regular intervals</li> </ul>	On as needed basis	<ul style="list-style-type: none"> <li>Regular engagement, communications and advocacy with regulatory authorities.</li> <li>Strict compliance with rules and regulations.</li> </ul>
Community	Yes	<ul style="list-style-type: none"> <li>CSR initiatives and interventions</li> <li>Community welfare program</li> <li>Programmes Impact Assessment survey as well as Perception studies and</li> <li>Project Assessment reviews</li> <li>Sustainability Report</li> </ul>	On as needed basis	<ul style="list-style-type: none"> <li>Implementation of CSR Initiatives and status of the initiatives undertaken.</li> <li>Climate actions; environmental protection and regeneration a waste-free world health and well-being; equity, diversity, and inclusion; the future of work; and water stewardship.</li> <li>Positively touching lives of people and thereby enhancing their quality of life and overall wellbeing Capacity Building, local development.</li> </ul>

## Leadership Indicators

1. *Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.*

We strive to grow our business, while protecting the planet and doing good for the community. We believe that to generate superior long-term value, we need to care for all our stakeholders: shareholders / investors, employees, value chain partners (suppliers & vendors), government authorities / regulators and above all the planet and society. We call it the multi-stakeholder model of sustainable growth. All engagements are conducted transparently, with honesty, integrity, and openness.

Our engagement with our broader stakeholder community is undertaken by respective functions in consultation with the leadership team and overseen by the ESG Committee. Feedback from different stakeholder groups on environmental, social or economic topics is shared with the Committee. We also have a CSR Committee to review, monitor and provide strategic direction to our CSR practices and social initiatives.

2. *Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.*

Yes, stakeholder consultation is of utmost importance to us, as we live in an uncertain and constantly changing world. In order to create long-term value, we take steps to understand each stakeholder group's needs and priorities through several mediums, including direct engagement or via delegated teams and forums.

ESG committee conducts a sustainability materiality assessment to identify and prioritize sustainability issues across our value chain, so that we can focus on the key issues affecting our stakeholders. A sustainability issue is material to us if it is considered a principal risk or an element of a principal risk that could impact our business or performance or if our key stakeholders deem it important. In addition, we use stakeholder insights to gauge the relative importance of each issue.

3. *Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.*

We engage with vulnerable / marginalized stakeholder groups through the CSR outreach programmes. The programme encompasses holistic community development, institution-building and sustainability-related initiatives.

## PRINCIPLE 5: Businesses should respect and promote human rights



The core belief of this Principle is aimed at helping entities demonstrate performance in integrating their Human Rights related values & morals with key processes & decisions.

The Company has procedures in place to communicate effectively with the relevant stakeholders with respect to human rights so as to provide and maintain a safe, healthy and productive workplace, in consultation with employees. IRB values and emphasis on human rights principle through its Human Rights policy, where the Company has outlined a clear strategy for establishing a workplace so all the rights of employees' are upheld.

The Policy affirms commitment to uphold national laws, observing ILO conventions and the United Nations Global Compact's (UNGC) guiding principles on human rights and labour. Other salient features include protecting employee rights and fostering an inclusive workplace that values diversity. The prohibition of child labour and forced labour, working conditions, pay and benefits, diversity and inclusion, workplace health and safety, freedom of association, and the right to collective bargaining are some of the key areas that is covered in the policy.

## Essential Indicators

1. *Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:*

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	3,262	3,262	100%	3,338		
Other than Permanent	2,473	2,473	100%	2,745	Refer Note	
<b>Total Employee</b>	<b>5,735</b>	<b>5,735</b>	<b>100%</b>	<b>6,083</b>		
<b>Workers</b>						
<b>Total Workers</b>	<b>101</b>	<b>101</b>	<b>100%</b>	<b>104</b>	<b>Refer Note</b>	

Note: We have created awareness through sessions and communications on POSH, health & safety measures, safe working conditions, equal opportunity and employee wellbeing for all set of employees during the induction and annual code of conduct briefings.

2. *Details of minimum wages paid to employees and workers, in the following format:*

Category	FY 2022-23 Current Financial Year				FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage	Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)		% (C / A)	No. (E)	% (E / D)	No. (F)
<b>Employees</b>									
Permanent									
Male									
Female									
Other than permanent									
Male									
Female									
<b>Workers</b>									
Permanent									
Male									
Female									
Other than permanent									
Male									
Female									

Note: All our employees are being paid salary as per applicable relevant minimum wage guidelines.

Note: All our workers are being paid salary as per applicable relevant minimum wage guidelines.

3. *Details of remuneration/salary/wages, in the following format:*

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	1	9,07,00,000	1	6,69,00,000
Key Managerial Personnel*	3	1,03,48,142	0	0
Employees other than BoD and KMP*	5,603	2,78,256	127	1,66,767
Workers	63	4,08,579	38	3,94,024

\* Excluding performance incentives/commission.

4. *Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)*

IRB has committees to address human rights impacts and issues.

Grievances related to Human Rights are addressed by the authorized representative of Human Resource and Administration department. Grievances related to sexual harassment are addressed by the Internal POSH Committee headed by the Presiding Officer. Community-related grievances are addressed by CSR Head.

5. *Describe the internal mechanisms in place to redress grievances related to human rights issues.*

Employees can register their issues via Grievance Redressal Mechanism by reaching out to the authorized representative of Human resource and Administration Department through mail, who addresses the issues and shares it with the concerned person. Alternatively, they can opt for Whistle-blower policy and POSH policy if their grievance falls under the purview of those policies.

For Whistle-blowing mechanism, employees can approach their immediate superior/ Head of Department/ authorized representative depending on the nature of complaint as mentioned in the policy. For POSH, we have an Internal Committee of 4 Members including one external member, headed by the Presiding Officer, as per the POSH Act.

<https://www.irb.co.in/home/wp-content/uploads/2022/11/Human-Rights-Policy.pdf>

<https://www.irb.co.in/home/Whistle-Blower-Policy.pdf>

6. *Number of Complaints on the following made by employees and workers:*

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	NA	-	0	NA	-
Discrimination at workplace	0	NA	-	0	NA	-
Child Labor	0	NA	-	0	NA	-
Forced Labor/Involuntary Labor	0	NA	-	0	NA	-
Wages	0	NA	-	0	NA	-
Other human rights related issues	0	NA	-	0	NA	-

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

We undertake awareness programs on anti-discrimination which mentions about the procedure to register a complaint and the appropriate disciplinary actions. IRB has zero tolerance against discrimination & harassment cases. Any form of retaliation against the complainant is prohibited and strict disciplinary action can be taken in the form of suspension, termination against the retaliator.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

Yes, the Company has adequate relevant clauses around human rights in the business agreements and contracts. The Company obtains acknowledgment from the business associates and partners in the form of contract and purchase order clauses with respect to health and safety, social and regulatory compliances.

**9. Assessments for the year:**

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

Note: The assessment was conducted by the Company itself.

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

We have not observed any material concern during the assessment. Further, we are creating regular awareness on our policies and grievance redressal mechanism. In addition to this we encourage our internal and external stakeholders to share their concerns and feedback.

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.**

As there were no Human Rights issues reported during reporting period, hence no business process was modified / introduced.

**2. Details of the scope and coverage of any Human rights due diligence conducted.**

The Company has not conducted any formal due diligence in the reporting year. Although the Company regularly monitors policy implementation and its compliance.

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

A dedicated HR SPOC and wheelchair accessibility are proactive measures made to address Persons with Disabilities issues of any kind. Further to this the Company is in process of making all the required premises accessible for differently abled employees & workers.

**4. Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	We share a questionnaire on a regular basis, where we receive the signed responses from our contractors/vendors regarding their Human Rights policy. Through this questionnaire, value chain partners are assessed on Human Right parameters.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

No significant risks /concerns during the reporting period. IRB is engaging with its value chain partners on a regular basis for the operational and business purposes.

**PRINCIPLE 6.: Businesses should respect and make efforts to protect and restore the environment**



The principle urges organizations to explore and identify the potential environmental impacts arising out of the business operations and supply chain activities in order to implement environmental procedures and practices that reduce or eliminate the negative consequences of their activities across the value chain.

**IRB's current environment focused initiatives includes:**

- Water conservation measures: Drip irrigation and rainwater harvesting
- Replacing conventional machinery with modern equipment
- Minimized cutting of trees and replanting of trees
- Use of recycled products, in line with the quality and safety standards

**Essential Indicators**

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	(In Giga Joules)	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total electricity consumption (A)	1,35,506.37	1,00,150.68
Total fuel consumption (B)	7,98,709.33	8,26,489.49
Energy consumption through other sources (Renewable Energy)	0.00	0.00
Total energy consumption (A+B+C) In Giga Joules	9,34,215.70	9,26,640.17
Energy intensity per million rupees of turnover (Total energy consumption/ turnover in million rupees)	13.94	14.58
Energy intensity per lane km.	69.97	74.32

In FY 23, the Company has accommodated 4 additional projects, which have resulted into higher emissions comparatively. However, with respect to the energy saving initiatives the Company has successfully reduced its emission intensity. In FY 22, the Company has recorded 12,468.73 lane kms of highways and 13,352.27 lane kms in FY 23.

To further enhance environmental performance, the company will continue investing in sustainable practices, adopting cleaner technologies and implementing measures to offset emissions associated with its operations. This way, it can strive for both infrastructure development and environmental sustainability.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Think through Consulting Pvt. Ltd. had provided an independent assurance for our Sustainability Report of FY 2022 and FY 2023.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

The Company does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	17,06,451.71	16,02,783.30
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	<b>17,06,451.71</b>	<b>16,02,783.30</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>17,06,451.71</b>	<b>16,02,783.30</b>
<b>Water intensity per million rupees of turnover (Water consumed / turnover in million rupees)</b>	<b>25.46</b>	<b>25.22</b>
<b>Water intensity per lane km.</b>	<b>127.80</b>	<b>128.54</b>

Four additional projects were accommodated by the company in FY 23, resulting in comparatively higher water consumption. However, the Company has successfully decreased its water intensity per lane km. by adopting water-saving initiatives. The company recorded highway lengths of 12,-468.73 lane kms in FY 22 and 13,352.27 lane kms in FY 23. This indicates a significant increase in the Company's operational reach, with an additional 883.54 lane kms of highway length covered in FY 23 compared to FY 22.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Think through Consulting Pvt. Ltd. had provided an independent assurance for our Sustainability Report of FY 2022 and FY 2023.

4. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Recognizing the importance of water as a resource, we adopt a variety of measures to optimize consumption and lower waste output through reuse or recycling programme, allowing wastewater to be further recovered and used again. As an illustration some of our project locations have sedimentation tanks where cleaned water is utilized for flushing and sprinklers and some of our projects also include sewage treatment plants (STPs). In addition to the aforementioned, we also employ drip irrigation and rainwater harvesting as water-saving methods for gardening.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Units	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Nox			
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

\*We monitor air emissions at our plants, project sites and ensure that our emissions stay within permissible limits.

Note: Indicate if any independent assessment/ evaluation/assurance have been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Units	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total Scope 1 emissions	MT	61,944.68	66,402.72
Total Scope 2 emissions	MT	26,913.07	19,891.04
Total Scope 1 and Scope 2 emissions per million rupees of turnover	MT/INR (Mn)	1.33	1.36
Total Scope 1 and Scope 2 emission intensity per lane km.	MT/lane Km	6.65	6.92

With emission reduction initiatives, the Company has successfully reduced its emissions. The Company has achieved 3.84% reduction in the emission intensity per lane km.

Note: Indicate if any independent assessment/ evaluation/assurance have been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Think through Consulting Pvt. Ltd. had provided an independent assurance for our Sustainability Report of FY 2022 and FY 2023.

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

IRB has started its ESG journey with respect to the monitoring and disclosure of ESG objectives and targets with special focus on emission reduction. The Company is in a process of aligning emission reduction strategies as a part of its Sustainability Framework by identifying potential opportunities. The Company is also committed to SBTi to work on near term and long term goals. For more initiatives on emission reduction refer the Sustainability Report.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	63.26	8.88
E Waste (B)	6.27	1.51
Bio medical waste (C)	0.00	0
Construction and Demolition Waste (D)	1,23,172.08	1,20,647.24
Battery Waste (E)	8.54	4.18
Radio-active waste (F)	0.00	0

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Hazardous waste. Please specify, if any. (G)	Used Oil 16.22	Used (Black) Oil - 9.17
Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Aluminium- 0.69 Paper- 4.10 Steel- 3415.48 Tyre -68.16	Aluminium 1.02 Paper 0.2 Steel 1165.74 Wood – 0.18 Rubber – 7.04 Tyre - 33.2
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>1,26,754.79</b>	<b>1,21,878.36</b>

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Category of waste		
(i) Recycled	97,211.49	94,146.76
(ii) Re-used	25,970.95*	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>1,23,182.45</b>	<b>94,146.76</b>

\* C&D waste material is utilized for pothole filling, shoulder repairs, waterlogging leveling, backfilling excavated pits, and temporary diversion activities.

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	21,200.39
(iii) Other recovery operations	3,572.35	1,172.57
<b>Total</b>	<b>3,572.35</b>	<b>22,372.96</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Think through Consulting Pvt. Ltd. had provided an independent assurance for our Sustainability Report of FY 2022 and FY 2023.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

We make an effort to recycle and reduce waste as much as possible. We have implemented significant waste management initiatives in line with the 3R (Reduce, Reuse, Recycle) principle, which include preventing waste generation at the source and facilitating recycling (wherever possible) and waste disposal. We also have roles and responsibilities that are clearly defined to help us identify and coordinate each waste management activity. By identifying recyclable materials and ensuring they are properly separated and sent for recycling, our company contributes to the circular economy and reduces the amount of waste going to landfills.

We promote environmental awareness and training in order to increase and encourage proper waste management.

According to the client's or authority's instructions, construction debris is being used for backfilling in low-lying regions. E-waste is disposed through registered authorized E-waste recycler. Using recycled materials in accordance with quality and safety requirements during our construction process ensures waste reduction and effective use of raw materials.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
	Nil	Nil	Nil

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
NIL*	NIL*	NIL*	NIL*	NIL*	NIL*

\*As the relevant Authority obtains the Environment Clearance (EC) for all Highway Projects, the Authority also conducts the Environmental Impact Assessments (EIA). Before the project is assigned to the company for the ongoing construction projects, the necessary EIAs are completed.

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NIL	NIL	NIL	NIL	NIL

No penalties or fines have been enforced by courts or regulatory bodies like pollution control boards. Environmental laws, regulations and guidelines, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder are adhered to by all Company projects and facilities.

**Leadership Indicators**

**1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	1,35,506.37	1,00,150.68
Total fuel consumption (E)	7,98,709.33	8,26,489.49
Energy consumption through other sources (F)	0.00	0.00
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	<b>9,34,215.70</b>	<b>9,26,640.17</b>

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Think through Consulting Pvt. Ltd. had provided an independent assurance for our Sustainability Report of FY 2022 and FY 2023.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
		Current Financial Year	Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Currently, we are in stage of maturity assessment to start our Scope 3 emission calculations. Further, during the fiscal year 2023, we have conducted our readiness assessment for all the 15 categories under scope 3 and have identified the relevant categories for our sector of operation using GHG protocol. We will be setting up measurement methodology for selected categories to report as per the described process.		
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Installed LED Lights fitting - Gulabpura Chittorgarh Package – 2 (O&M) Project	We have replaced the Sodium Vapour Lamps with LED bulbs which consume upto 75% less energy. LEDs are the most energy-efficient light bulbs as they consume less energy to produce high-intensity light.	Energy Saving 35,79,205 KWH P.A.
2	Installed LED Lights fitting – Kishangarh to Gulabpura - Package-I(O&M) Project	We replaced the Sodium Vapour Lamps with LED bulbs which consume upto 75% less energy. LEDs are the most energy-efficient light bulbs as they consume less energy to produce high-intensity light.	Energy Saving 24,84,730 KWH P.A.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Our company's contractual agreement with the authorities includes a force majeure provision, which is a legal phrase that allows contract parties to be exempted from fulfilling their obligations due to unanticipated occurrences beyond their control. Natural disasters, wars, labour disputes, and other occurrences deemed acts of God or cases of force majeure are examples of these circumstances. This will ensure that any event of this sort receives assistance in the shape of a cash or time extension.

The company has an emergency response plan for each plant and project site, considering local disaster management cell details. The plan includes hazard identification, a team of emergency responders, an emergency control center, a list of regulatory agencies, and local hospital and emergency help lines. Key members of the team are trained on emergency preparedness and response and mock drills are conducted every six months to ensure the effectiveness of the plan.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Not evaluated.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Nil.

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**



This principle acknowledges the organization's duty to be transparent & responsible while being engaged in advocacy of any public policy.

The Company has memberships with trade and industry associations through which it makes efforts to further contribute on specific sustainable business issues.

The Company's authorized officials represent the Company in various industry forums. They understand their responsibility while representing the Company in such associations. While they engage in constructive dialogues and discussions, they refrain from lobbying or influencing public policy with vested interests. This principle is also embodied in the Code of Conduct and Business Practices of the Company applicable to its representatives and group entities.

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations.

We are affiliated with 8 trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	National Highways Builders Federation (NHBF)	National
2	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3	Associated Chambers of Commerce of India (ASSOCHAM)	National
4	Construction Federation of India (CFI)	National
5	PHD Chamber of Commerce and Industry	National
6	Global Compact Network India (GCNI)	National
7	Builders Association of India	National
8	Confederation of Indian Industry (CII)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NIL	NIL	NIL

There are no actions taken or underway against the Company on any issues related to anti-competitive conduct.

## Leadership Indicators

Provide details of public policy positions advocated by the entity

Sr No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain?	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
1	We participate in multi-stakeholder engagements and, when relevant, respond to public consultations. Our approach to advocacy is guided by code / policies. The Code / policies provides that any contact by us or our business associates with Government, legislators, regulators or NGOs must be done with honesty, integrity, openness and in compliance with applicable laws. Only authorized individuals can interact with these institutions. Prior internal approval is required for initiating any contact between our representatives and officials, who aims to proactively address changes / suggestions to regulation or legislation.	We are represented in key industry and business associations. We perform policy advocacy in a transparent and responsible manner while engaging with all the authorities and consider our as well as the larger national interest.	NO	On a need basis	Not Available

### PRINCIPLE 8: Businesses should promote inclusive growth and equitable development



In order to promote inclusive growth and equitable development it is essential for the business to innovate & contribute to the overall development of the country with a specific focus on disadvantaged, vulnerable & marginalized communities, as articulated in Section 135 of the Companies Act, 2013.

The Company believes that as a socially conscious corporation, it has a duty to fulfil multiple social responsibilities along with its financial obligations. Through its Corporate Social Responsibility (CSR) programmes, the Company seeks to align its business operations and expansion with social, environmental, and economic goals. The Company's CSR is based on the firm belief that corporate sustainability is intimately related to the sustainable development of the communities in which it operates and to the environment.

#### The Company has spent ₹ 164.12 million towards CSR activities during the reporting year on:

- Established IRB Schools in Rajasthan and Punjab, to provide high quality free education from the pre-primary to class VII with special focus on girl child education.
- Participated in social events such as TATA Mumbai Marathon 2023 to support Women Empowerment in association with Population First (Laadli).
- Financial support for sports activities, sportsmen and artists.
- Promotion of educational and cultural activities in several engineering and educational institutions
- Promotion of Rural Healthcare facilities
- Provided state-of-the-art mobile diagnostic center for cancer screening, mammography, and vision restoration in the rural areas of Thane, Maharashtra.

## Essential Indicators

### 1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web link
NIL*	NIL*	NIL*	NIL*	NIL*	NIL*

\* As the relevant Authority obtains all Clearance for all Highway Projects, the Authority also conducts the Social Impact Assessments (SIA). Before the project is assigned to the company for the ongoing construction projects, the necessary SIAs are completed.

### 2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	No. of Project Affected Families (PAFs)	Amounts paid to PAFs in the FY (In ₹)
Not Applicable since it is not under ambit of the company.						

### 3. Describe the mechanisms to receive and redress grievances of the community.

IRB has a dedicated email address (grievances@irb.co.in) for receiving any grievance and we are committed to resolve the same. Once a grievance is received, the matter is investigated and appropriate action is taken. The Company maintains a complaint register for commuters at the toll plazas. For further details refer(<https://www.irb.co.in/home/contact-us-2/>)

### 4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs/ small producers	13%	12%
Sourced directly from within the district and neighboring districts	-	-

The Company prefers to procure from local suppliers in order to reduce the cost and emissions and to create equal value for the local suppliers wherever viable.

## Leadership Indicators

### 1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

### 2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No	State	Aspirational District	Amount Spent (in ₹)
Not Applicable			



3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No).

The Company prefers to procure the Raw materials from the authorized local suppliers to create a shared value with local supplier.

- (b) From which marginalized/vulnerable groups do you procure?

Not Applicable

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Sr. No	Intellectual Property based on traditional Knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
	Not Applicable. The Company does not own or acquire any intellectual property based on traditional knowledge in the current financial year.			

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
	Not Applicable. The Company does not own or acquire any intellectual property based on traditional knowledge in the current financial year.	

6. Details of beneficiaries of CSR Projects:

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Promotion of Rural Education	616	100%

#### PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner



This Principle caters to creating a shared value by delivering high-quality goods or providing services to the customers. It also focuses on the mechanism of various types of consumer complaints adopted by the Company.

#### Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The company focuses on construction and engineering contracts and treats customer complaints with utmost importance. The company has started a customer satisfaction survey to identify pain points in the customer experience. Customers evaluate performance on parameters such as pavement/riding quality, road signage, cleanliness, plantation, road safety and overall experience at Toll Plaza. The company maintains multiple communication points, including electronic media and a complaint register at toll plazas and provides separate email addresses for suggestions and feedback. The company ensures redressal of grievances by informing users about responses from relevant stakeholders.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	The requirement is not applicable to the Company as the nature of business is to construct and maintain the roads as per regulatory guidelines, thus there are no shelf goods or services that may carry such information. To ensure safety of the users we provide emergency management services such as ambulances for casualties.
Safe and responsible usage	Adequate signage (speed limit, curves/slopes, helpline, no honking zone etc.) have been provided for safe and responsible usage of roads. Road safety campaigns are also undertaken to facilitate the improvement of road and safety infrastructure and to reduce casualties and mortality. The disposal of waste is undertaken as per regulatory guidelines.
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	12	NIL	-	NIL	NIL	
Advertising	2	NIL	-	NIL	NIL	
Cyber-security	49	NIL	-	NIL	NIL	
Delivery of essential services	746	Nil	-	1193	NIL	
Restrictive Trade Practices	8	NIL	-	NIL	NIL	
Unfair Trade Practices	344	NIL	-	NIL	NIL	
Tariff Issues	687	NIL	-	381	NIL	
Other (Consumer Complaints)	790	NIL	-	16	NIL	

4. Details of instances of product recalls on account of safety issues:

The above requirement is not applicable due to the peculiar nature of business and the Company does not have any specific consumer products.

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has a framework/policy on cyber security and risks related to data privacy, which is available on the Company's website at <https://www.irb.co.in/home/wp-content/uploads/2022/11/Cyber-Security-Policy.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

- The Company has in place internal controls/processes that are periodically evaluated and assessed to minimize incidents. In order to avoid any risk, the Company is providing regular trainings and awareness sessions to its people, through internal materials and other modes of communication.
- The Company undertakes VAPT assessments in order to uncover any vulnerability in an application or network, which works to validate the efficiency of the current security protections. In order to enhance cyber security for its stakeholders; the organization has deployed firewalls and other network monitoring tools to prevent from cyber-attacks. At our toll plazas, transactions which are processed via different payment modes (CASH/FASTag) we do not capture or store any customer information in our system.
- Further there is no penal action has been taken by regulatory authorities on violating safety of products / services.

## CORPORATE GOVERNANCE REPORT

### Leadership Indicators

- Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**  
The platforms used for the information are Website, Annual Report and Sustainability report. The information on Company's business offering are available at: <https://www.irb.co.in/home/>
- Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**  
As the Company is not directly involved in the distribution services to the consumer except for type of work involved in the contracts such as construction, engineering, designing. For the above-mentioned services, the Company has taken several initiatives such as providing Adequate signages (speed limit, curves/slopes, helpline, no honking zone etc.) for safe and responsible usage of roads. Road safety campaigns are also undertaken to improve safety and reduce road crash casualties.
- Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**  
During execution of construction projects, the concerned departmental authorities are informed through letters and their permissions are sought in prior for any sort of road closure, traffic diversion and isolation of essential services.
- Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**  
Not applicable, due to the peculiar nature of business. Further, surveys were carried by the Company with regard to customer satisfaction for services provided; the average customer satisfaction score during FY23 was 76%.
- Provide the following information relating to data breaches:**  
The Company has not received any incident for data breaches during the financial year 2022-23.
  - Number of instances of data breaches along-with impact**  
Not Applicable.
  - Percentage of data breaches involving personally identifiable information of customers**  
Not Applicable.

### A. Company's Philosophy on Code of Corporate Governance

Your Company's philosophy on Corporate Governance based on certain key principles, including fairness and integrity, transparency and disclosure, accountability, equal treatment to all the stakeholders and social responsibility. Your Company practices Corporate Governance extends beyond corporate laws. Its fundamental objective is the institution of and adherence to systems and procedures, ensuring the commitment of the Board of Directors in managing the Company's affairs in a transparent manner to maximize the long-term value of the stakeholders at large.

Your Company has adopted an appropriate Corporate Governance framework to ensure timely and accurate disclosure on all material matters including the financial position, performance, ownership and governance of the Company.

Your Company's policies and practices relating to the Corporate Governance are discussed in the following sections:

### Board of Directors

#### (i) Board Membership Criteria

The members of the Board of Directors accessed and observed that the Directors of your Company possess the required expertise, skill and experience to effectively manage and direct your Company to attain its organizational goals. They also have leadership qualities, proven competence and integrity, and with a strategic bent of mind.

Each member of the Board of Directors of your Company have ensured that his/ her personal interest does not run in conflict with your Company's interests and used their professional judgment to maintain both the substance and appearance of independence and objectivity.

#### (ii) Composition of the Board

The Board of Directors of your Company has an optimum combination of Executive, Non-executive Directors and Independent Director to have a balanced Board Structure. The Board has 8 (Eight) Directors, and except the Managing Director and Whole-time Director, Mr. Jose Angel Tamariz Martel Goncer and Mr. Ravindra Dhariwal are Non-executive Directors, all other 4 (Four) Non-executive Directors are Independent Directors of the Company. The Chairman of the Board of Directors of your Company is a Non-Independent Director. In the opinion of the Board, all Independent Directors fulfill the conditions specified in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors has appointed Mr. Ravindra Dhariwal as an Additional non-executive Director w.e.f. August 05, 2022.

Mr. Carlos Ricardo Ugarte Cruz Coke resigned from the post of non-executive Director of the Company w.e.f. August 05, 2022.

The composition of the Board of Directors of your Company as on March 31, 2023 is as follows:

Name of Director	Category of Director	Relationship with other Directors	No. of Directorships in other companies including this listed entity*	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)	Directorships held in other listed entities
Mr. Virendra D. Mhaiskar DIN: 00183554	Chairman & Managing Director (Promoter)	Husband of Mrs. Deepali V. Mhaiskar	6	3	None	None
Mrs. Deepali V. Mhaiskar DIN: 00309884	Non-Independent and Whole-time Director (Promoter)	Wife of Mr. Virendra D. Mhaiskar	5	None	None	None
Mr. Jose Angel Tamariz Martel Goncer DIN: 09441516	Non-Independent and Non-executive Director	None	1	2	None	None
Mr. Ravindra Dhariwal DIN: 00003922	Non-Independent and Non-executive Director	None	6	4	None	Sheela Foam Limited – Independent Director Bata India Limited – Independent Director as on March 31, 2023

Name of Director	Category of Director	Relationship with other Directors	No. of Directorships in other companies including this listed entity*	Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations)	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations)	Directorships held in other listed entities
Mr. Chandrashekhar S. Kaptan DIN: 01643564	Non-Executive - Independent Director	None	9	10	1	None
Mr. Sunil H. Talati DIN: 00621947	Non-Executive - Independent Director	None	3	3	1	TCPL Packaging Limited –Independent Director
Mr. Sandeep J. Shah DIN: 00917728	Non-Executive - Independent Director	None	7	2	None	None
Ms. Priti Savla DIN : 00662996	Non-Executive - Independent Director	None	7	5	1	1. Aarti Industries Limited - Independent Director 2. Aarti Drugs Limited - Independent Director

\*Number of Directorship in other Companies excludes directorship in Section 8 Companies & Foreign Companies, if any.

### (iii) Board Meetings / Annual General Meeting

For the period ended March 31, 2023, the Board of Directors of your Company met 7 (Seven) times on May 17, 2022, June 06, 2022, August 05, 2022, August 22, 2022, October 21, 2022, January 04, 2023, and February 13, 2023.

Further, no circular resolution was passed by the Board of Directors during the Financial Year 2022-23.

The Annual General Meeting of the Financial Year ended on March 31, 2022 was held on September 20, 2022.

Details regarding the attendance of the Directors at the Board Meetings and the Annual General Meeting held during the period ended March 31, 2023, are provided in the following table:

Director	No. of Board Meetings Attended	Whether AGM Attended (Yes/No)
Mr. Virendra D. Mhaiskar	7	Yes
Mrs. Deepali V. Mhaiskar	7	Yes
Mr. Jose Angel Tamariz Martel Goncer	7	Yes
Mr. Carlos Ricardo Ugarte Cruz Coke*	3	NA
Mr. Ravindra Dhariwal**	4	Yes
Mr. Chandrashekhar S. Kaptan	7	Yes
Mr. Sunil H. Talati	7	Yes
Mr. Sandeep J. Shah	7	Yes
Ms. Priti Savla	7	Yes

\*Ceased to be a Director w.e.f. August 05, 2022

\*\*Appointed as a Director w.e.f. August 05, 2022

### (iv) A chart or a matrix setting out the skills/expertise/competence of the Board of Directors

Accordance with the Company's Corporate Governance philosophy, the Board has laid down criteria which guides selection of board member. The members of the Board of Directors of your Company are expected to possess the required expertise, skills and experience in the relevant sector to effectively manage and direct your Company to attain its organizational goals.

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members.

Name of the Director	Business Leadership	Financial Expertise	Knowledge of Company's Business	Corporate Governance and Risk Management
Mr. Virendra D. Mhaiskar	✓	✓	✓	✓
Mrs. Deepali V. Mhaiskar	✓	✓	✓	✓
Mr. Jose Angel Tamariz Martel Goncer	✓	✓	✓	✓
Mr. Ravindra Dhariwal*	✓	✓	✓	✓
Mr. Sunil H. Talati	✓	✓	✓	✓
Mr. Sandeep J. Shah	✓	✓	✓	✓
Mr. Chandrashekhar S. Kaptan	✓	✓	✓	✓
Ms. Priti Savla	✓	✓	✓	✓
Mr. Carlos Ricardo Ugarte Cruz Coke**	✓	✓	✓	✓

\*Appointed as a Director w.e.f. August 05, 2022

\*\*ceased to be a Director w.e.f. August 05, 2022

On the basis of the aforesaid matrix, experience and expertise of your Company's Board of Directors, the Board states that it has desirable diversity commensurate with sector, scale and operations.

### (v) Membership Term

According to your Company's Articles of Association, at every Annual General Meeting, one-third of the Directors excluding Independent Directors, for the time being are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office. The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment. However, as between persons who became Director on the same day and those who are to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-appointment.

### (vi) Code of Conduct

Your Company's Board of Directors has prescribed a Code of Conduct for all Board Members and the Company's Senior Management. The Code of Conduct is available on your Company's website <https://www.irb.co.in/home/investors-relations-code-policies/>

All the Board Members and the Senior Management Personnel of your Company have affirmed their compliance with the Code of Conduct for the year ended March 31, 2023. A declaration to this effect as signed by the Chief Executive Officer is given below:

This is to certify that, in line with the requirement of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, all the Directors of the Board and Senior Management Personnel have solemnly affirmed that to the best of their knowledge and belief, they have complied with the provisions of the Code of Conduct during the financial year 2022-23.

Sd/-  
**Sudhir Rao Hoshing**  
(CEO)

### (vii) Meeting of Independent Directors:

The separate meeting of Independent Directors of the Company as per the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, was held on March 14, 2023, without the attendance of Non-Independent Directors and the members of the management. All the Independent Directors were present at the meeting.

### (viii) Performance Evaluation of Directors:

The Nomination and Remuneration Committee lays down the criteria for performance evaluation of Independent Directors and other Directors, Board of Directors and Committees of the Board of Directors pursuant to the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- i. Attendance at Board & Committee Meetings.
- ii. Quality of contributions in deliberations.
- iii. Strategic perspectives or inputs regarding future growth of Company and its performance.
- iv. Providing perspectives and feedback going beyond information provided by the management.
- v. Commitment to Stakeholders interests.

The evaluation involves Self- Evaluation by the Board Member and subsequently assessment by the Board of Directors. A member of the Board does not participate in the discussion of his / her evaluation.

### B. Familiarisation Programme for Independent Directors:

The Board of Directors has established Familiarisation Programmes for all the Independent Directors as per the requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The main objective of the Programme is to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the company, etc., through various programmes and the same is available on the website of the Company i.e., <https://www.irb.co.in/home/investors-relations-code-policies/>

### C. Board Committees

In compliance with both the mandatory and non-mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable laws, your Company's Board of Directors constituted the following Committees:

- i) Audit Committee;
- ii) Nomination and Remuneration Committee;
- iii) Stakeholders' Relationship Committee;
- iv) Corporate Social Responsibility Committee;
- v) Risk Management Committee;
- vi) Management Administration & Share Transfer Committee;

The Chairman of the Board, in consultation with the Company Secretary and the respective Chairman of these Committees, determines the frequency of the meetings of these Committees. The recommendations of the Committees are submitted to the Board for approval.

The Board of Directors has also adopted the following policies in line with the requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 for the effective and

defined functioning of the respective Committees of the Board:

1. Equal Opportunity Policy;
2. Succession Policy;
3. Criteria for Appointment of Directors;
4. Prevention of Sexual Harassment Policy;
5. Policy on Secretarial Compliance;
6. Maternity Benefits Policy;
7. Data Protection and Privacy Policy;
8. Internal Control Policy;
9. Health Safety and Welfare Policy;
10. Policy on Conflict of Interest;
11. Cyber Security Policy;
12. Environmental Policy;
13. Risk Management Policy;
14. Anti-Bribery, Anti-Corruption and Anti-Money Laundering Policy;
15. Whistle-blower Policy;
16. Process for compensation in case of Accident;
17. Grievance redressal process & certificate;
18. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information;
19. Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and immediate relatives;
20. Policy for determination of materiality of information;
21. Environmental, Social and Governance (ESG) Commitments;
22. Code of Conduct;
23. Human Rights Policy.
24. Evaluation Policy;
25. Related Party Transactions Policy;
26. Policy for determining material subsidiaries;
27. Corporate Social Responsibility Policy;
28. Remuneration Policy;
29. Policy for Preservation of Documents;
30. Archival Policy;
31. Dividend Distribution Policy;
32. System of Internal Control over Financial Reporting (SICFR);
33. Enterprise Risk Management Statement.

Relevant policies are available on the website of the Company <https://www.irb.co.in/home/investors-relations-code-policies/>

### (i) Audit Committee

The Audit Committee of the Board of Directors of your Company as on March 31, 2023 consists of the following Members:

- |    |                                      |            |
|----|--------------------------------------|------------|
| 1) | Mr. Sunil H. Talati                  | - Chairman |
| 2) | Mr. Virendra D. Mhaiskar             | - Member   |
| 3) | Mr. Jose Angel Tamariz Martel Goncer | - Member   |
| 4) | Mr. Sandeep J. Shah                  | - Member   |
| 5) | Mr. Chandrashekhar S. Kaptan         | - Member   |
| 6) | Ms. Priti Savla                      | - Member   |

The Company Secretary acts as the Secretary of the Audit Committee.

The composition, role, terms of reference as well as powers of the Audit Committee are in accordance with the Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The terms of reference of Audit Committee inter-alia includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;

- d. Significant adjustments made in the financial statements arising out of audit findings;
- e. Compliance with listing and other legal requirements relating to financial statements;
- f. Disclosure of any related party transactions; and
- g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The detailed terms of reference of Audit Committee are available on your Company's website Audit-Committee.pdf (irb.co.in)

The Company's Audit Committee met 5 (Five) times for the period ended March 31, 2023 viz. May 17, 2022; August 05, 2022; August 22, 2022; October 21, 2022 and February 13, 2023.

The following table presents the details of attendance at the Audit Committee meetings held during the period ended March 31, 2023:

Members	No. of Meetings Attended
Mr. Sunil H. Talati	5
Mr. Virendra D. Mhaiskar	5
Mr. Jose Angel Tamariz Martel Goncer	5
Mr. Sandeep Shah	5
Mr. Chandrashekhar Kaptan	5
Ms. Priti Savla	5

#### (ii) Nomination and Remuneration Committee

The Composition of the Nomination and Remuneration Committee ("NRC") as on March 31, 2023 consists of the following members viz.:

1) Mr. Chandrashekhar S. Kaptan	- Chairman
2) Mr. Virendra D. Mhaiskar	- Member
3) Mr. Jose Angel Tamariz Martel Goncer	- Member
4) Mr. Sandeep J. Shah	- Member
5) Mr. Sunil H. Talati	- Member
6) Ms. Priti Savla	- Member

The Nomination and Remuneration Committee met on August 05, 2022 during the period ended March 31, 2023.

The following table presents the details of attendance at the Nomination and Remuneration Committee meetings for the period ended March 31, 2023:

Members	No. of Meetings Attended
Mr. Chandrashekhar Kaptan	1
Mr. Virendra D. Mhaiskar	1
Mr. Jose Angel Tamariz Martel Goncer	1
Mr. Sandeep Shah	1
Mr. Sunil Talati	1
Ms. Priti Savla	1

The terms of reference of Nomination and Remuneration Committee inter-alia includes:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, senior management and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a) use the services of an external agencies, if required;

- b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c) consider the time commitments of the candidates.
3. Formulation of criteria for evaluation performance of Independent Directors and the Board;
4. Devising a policy on Board diversity;
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
6. Consideration of extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. To recommend to the board, all remuneration, in whatever form, payable to senior management.

#### Remuneration Policy

The Nomination and Remuneration Committee has laid down the criteria for determining qualifications, positive attributes and independence of a person proposed to be appointed as a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees. The Nomination & Remuneration Policy is annexed to Board's Report.

#### The Policy ensures –

- (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- (c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

#### Remuneration paid to Non-executive Directors:

The Non-executive Independent Directors of your Company are paid remuneration by way of sitting fees. Your Company pays sitting fees of ₹ 20,000/- per meeting to the Non-executive and Independent Directors for attending the meetings of the Committees of the Board and ₹ 50,000/- per meeting for attending the Board Meeting.

#### Details of Remuneration for the period ended March 31, 2023

Name of the Non-Executive Director	Sitting Fee (Amounts in Million)
Mr. Chandrashekhar Kaptan	0.65
Mr. Sandeep Shah	0.67
Mr. Sunil Talati	0.47
Ms. Priti Savla	0.47
Mr. Ravindra Dhariwal	0.20

As per the disclosures received from the Directors, except Mr. Sandeep Shah (holding 2,020 equity shares), none of the Company's Non-Executive and Independent Directors hold any Equity Shares of the Company. Further, there are no pecuniary relationships or transactions of the Non-Executive Directors with the Company, except those disclosed in the Annual Report.

The remuneration of Executive Director/s is decided by the Board of Directors / Nomination & Remuneration Committee as per the Company's remuneration policy and within the overall ceiling approved by shareholders.

(Amount in ₹)

Name of Executive / Whole-time Director (Period of Appointment)	Remuneration (including Performance Linked Incentive)
Mr. Virendra D. Mhaiskar (appointed w.e.f. September 7, 2007, for 5 years) Re-appointed w.e.f. September 7, 2017 for 5 years) Further re-appointed for 5 years w.e.f. September 07, 2022)	Salary including allowances not exceeding ₹ 9,07,15,300/- per annum with an annual increment, not exceeding of 20% in the salary as may be approved by Nomination and Remuneration Committee. Commission as may be approved by Board or Nomination and Remuneration Committee of the Board on yearly basis, upto 3% of the net profits of the Company, calculated in accordance with the provisions of section 197 of the Companies Act, 2013 w.e.f. September 07, 2022.
Mrs. Deepali V. Mhaiskar (appointed w.e.f. May 19, 2016 for 5 years) Re-appointed w.e.f. May 19, 2021 for 5 years	Salary including allowances not exceeding ₹ 42,98,000 per month with an annual increment, not exceeding of 20% in the monthly salary. Commission as may be approved by Board or Nomination and Remuneration Committee of the Board on yearly basis, subject to maximum of 3% of the net profits of the Company, calculated in accordance with section 197 of the Companies Act, 2013 w.e.f. May 19, 2021.

None of the Directors are entitled to any benefit upon termination of their association with your Company. Further, the Company doesn't have any Employee Stock Option scheme.

### (iii) Stakeholders' Relationship Committee

The Composition of the Stakeholders' Relationship Committee as on March 31, 2023 consists of the following members viz.:

1. Mr. Chandrashekhar S. Kaptan - Chairman
2. Mr. Virendra D. Mhaiskar - Member
3. Mr. Jose Angel Tamariz Martel Goncer - Member
4. Mr. Sandeep J. Shah - Member

The Stakeholders' Relationship Committee meeting was held on February 13, 2023 during the period ended March 31, 2023.

The following table presents the details of attendance at the Stakeholders Relationship Committee meetings during the period ended March 31, 2023:

Members	No. of Meetings Attended
Mr. Chandrashekhar Kaptan	1
Mr. Virendra D. Mhaiskar	1
Mr. Jose Angel Tamariz Martel Goncer	1
Mr. Sandeep Shah	1

Status report on number of shareholder complaints/requests received and replied by the Company for the financial year 2022-23:

SR No.	Complaints	Pending at the beginning of the year	Received during the year	Disposed of during the year	Unresolved at the end of the year
1.	Status of applications lodged for Public issue (s)	0	0	0	0
2.	Non receipt for Electronic Credits	0	0	0	0
3.	Non receipt of Refund Order	0	0	0	0
4.	Non receipt of Dividend Warrants	0	93	93	0
5.	Non receipt of Annual Report	0	9	9	0
	<b>Total</b>	<b>0</b>	<b>102</b>	<b>102</b>	<b>0</b>

The terms of reference of Stakeholders' Relationship Committee inter-alia includes:

1. Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

### SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web based complaints redress system. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

The Company reports the following details in respect to demat suspense account/unclaimed suspense account of equity shares, which were issued pursuant to the Company's public issue:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. as on April 01, 2022	19	1770
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	0	0
Number of shareholders to whom shares were transferred from suspense account during the year	0	0
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. as on March 31, 2023	19	1770*

That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

\*Due to sub-division of equity shares of the Company w.e.f. February 22, 2023.

### (iv) Corporate Social Responsibility (CSR) Committee

The composition of the CSR Committee as on March 31, 2023 consists of the following members viz.:

- 1) Mr. Virendra D. Mhaiskar - Chairman
- 2) Mrs. Deepali V. Mhaiskar - Member
- 3) Mr. Sandeep J. Shah - Member
- 4) Mr. Jose Angel Tamariz Martel Goncer - Member

The CSR Committee meeting was held on February 13, 2023 during the period ended March 31, 2023.

The following table presents the details of attendance at the CSR Committee meetings for the period ended March 31, 2023:

Members	No. of Meetings Attended
Mr. Virendra D. Mhaiskar	1
Mrs. Deepali V. Mhaiskar	1
Mr. Jose Angel Tamariz Martel Goncer	1
Mr. Sandeep Shah	1

The detail of the CSR activities of the Company is provided in the Board's Report and placed on the website of the Company.

The terms of reference of CSR Committee inter-alia includes:

- formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
- recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- monitor the CSR Policy of the company from time to time.

**(v) Risk Management Committee:**

The composition of the Risk Management Committee as on March 31, 2023 consists of the following members viz.:

- Mr. Virendra D. Mhaiskar - Chairman
- Mr. Jose Angel Tamariz Martel Goncer - Member
- Mr. Dhananjay Joshi - Member
- Mr. Chandrashekhar Kaptan - Member
- Mr. Tushar Kawedia - Member

The Risk Management Committee meeting was held on August 05, 2022 and February 13, 2023 during the period ended March 31, 2023.

The following table presents the details of attendance at the Risk Management Committee meetings held for period ended March 31, 2023.

Members	No. of Meetings Attended
Mr. Virendra D. Mhaiskar	2
Mr. Jose Angel Tamariz Martel Goncer	2
Mr. Chandrashekhar S. Kaptan	2
Mr. Tushar Kawedia	2
Mr. Dhananjay Joshi	2

The terms of reference of Risk Management Committee inter-alia includes:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

**(vi) Management, Administration & Share Transfer Committee:**

The Company's Board of Directors formed a Management, Administration and Share Transfer Committee to approve the routine management and operational transactions, including such transactions / activities peculiar for conducting the business of an Infrastructure Company.

The composition of the Management, Administration and Share Transfer Committee as on March 31, 2023 consists of the following members viz.:

- Mr. Virendra D. Mhaiskar - Chairman
- Mr. Jose Angel Tamariz Martel Goncer - Member
- Mr. Chandrashekhar S. Kaptan - Member
- Mr. Sandeep Shah - Member

For the period ended March 31, 2023, the members of the Committee met 8 (Eight) times on April 10, 2022; May 17, 2022; May 30, 2022; October 13, 2022; December 12, 2022; February 13, 2023; March 02, 2023; and March 21, 2023.

Further, circular resolutions were passed by the Committee on June 19, 2020 and January 12, 2023.

The following table presents the details of attendance at the Management Administration and Share Transfer

Committee meetings held during the period ended March 31, 2023.

Members	No. of Meetings Attended
Mr. Virendra D. Mhaiskar	8
Mr. Chandrashekhar Kaptan	6
Mr. Jose Angel Tamariz Martel Goncer	8
Mr. Sandeep Shah	8

**D. General Body Meeting**

**Annual General Meeting**

Details of your Company's last three Annual General Meetings are presented in the following table:

Nature of Meeting	Date & Time	Venue	Details of Special Resolutions passed
Twenty Second Annual General Meeting	July 28, 2020 11.00 a.m.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	1. Re-appointment of Mr. Sandeep Shah as an Independent Director of the Company. 2. Amendment of Alteration of Articles of Association of the Company. 3. Increase in the borrowing powers of the Company. 4. Selling or Disposing of undertaking(s) of the Company and Creation of security.
Twenty Third Annual General Meeting	September 30, 2021 11.00 a.m.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	1. Re-appointment of Mrs. Deepali V. Mhaiskar as a Whole-time Director of the Company. 2. Alteration of Articles of Association of the Company.
Twenty Fourth Annual General Meeting	September 20, 2022 02.00 p.m.	Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")	1. Re-appointment of Mr. Virendra D. Mhaiskar as a Managing Director of the Company 2. Consider and approve the transfer of Meerut Budaun Expressway Limited to the IRB Infrastructure Trust and related matters.

**Postal Ballot**

No Special resolution was passed through Postal ballot during the financial year 2022-23. However, following ordinary resolutions were passed through Postal Ballot on February 6, 2023 with requisite majority:

S. No	Resolution	Resolution Description
1	Ordinary	To consider and approve sub-division of equity shares of the Company.
2	Ordinary	To consider and approve alteration of Capital Clause of the Memorandum of Association of the Company.

M/s. Mihen Halani & Associates, Practicing Company Secretaries were appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

**E. Means of Communication**

- The Company's corporate website [www.irb.co.in](http://www.irb.co.in) consists of Investor Relations section, which provides comprehensive information to the Shareholders.
- Quarterly and Annual Financial results are published in leading English and Marathi daily newspapers viz. The Times of India, Economic Times, Business Standard, Maharashtra Times, Loksatta, Financial Express and Sakal etc. The said results are also made available on the Company's website <https://www.irb.co.in/home/results/>
- The Company's Annual Report is e-mailed to the shareholders whose email addresses are available with the Company or with the depository participant / depository as per section 136 of the Companies Act, 2013 and Regulation 36 of SEBI (LODR) Regulations, 2015 and also made available on the Company's website <https://www.irb.co.in/home/shareholders-meetings/>

- 4) The Company's Shareholding Pattern is filed on a quarterly basis with the Stock Exchanges and also displayed on the Company's website <https://www.irb.co.in/home/quarterly-filings-exchanges/>
- 5) Press Releases and Corporate Presentations are also displayed on the Company's website <https://www.irb.co.in/home/investors-relations-corporate-presentation/>

## F. General Shareholders' Information

1. Annual General Meeting	
Date, Time and Venue	September 27, 2023, 12:00 Noon (IST) through Video Conferencing
2. Financial Year	Financial Year is April 1 to March 31 of the following year
Quarterly results will be declared as per the following tentative schedule:	
Financial reporting for the quarter ending June 30, 2023	First fortnight of August, 2023
Financial reporting for the half year ending September 30, 2023	First fortnight of November, 2023
Financial reporting for the quarter ending December 31, 2023	First fortnight of February, 2024
Financial reporting for the year ending March 31, 2024	First fortnight of May, 2024
3. Dates of Book Closure	-
4. Record date for Dividend declared	August 17, 2022 (First Interim Dividend) May 29, 2023 (Second Interim Dividend)
5. Interim/Final Dividend	First Interim Dividend: ₹ 1.25/- per equity share of ₹ 10 each Second Interim Dividend: ₹ 0.075/- per equity share of ₹ 1 each No final dividend declared
6. Interim/Final Dividend Payment Date	First Interim Dividend payment date: August 22, 2022 Second Interim Dividend payment date: June 6, 2023
7. Listing on Stock Exchanges & Payment of Listing Fees	Your Company's shares are listed on: BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001. National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051. Your Company has paid the annual listing fee to both the exchanges.
8. Stock Code	BSE Limited: 532947; National Stock Exchange of India Limited: IRB; ISIN: INE821101022
9. Registrars and Transfer Agents	KFin Technologies Limited (Unit: IRB Infrastructure Developers Ltd.) Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032. Tel.: 040 6716 1500; Fax: 040 67161500 E-mail: einward.ris@kfintech.com
10. Share Transfer System	The Board has delegated the power of Share Transfer to the MAS Committee of the Board of Directors.  Members may please note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under the weblink at <a href="https://www.irb.co.in/home/information-to-physical-shareholders-2/">https://www.irb.co.in/home/information-to-physical-shareholders-2/</a> and

	on the website of the Company's RTA at <a href="https://ris.kfintech.com">https://ris.kfintech.com</a> . It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI, vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
11. Address for Correspondence	Mr. Mehul Patel Company Secretary & Compliance Officer IRB Infrastructure Developers Limited Off No-11th Floor/1101 Hiranandani Knowledge Park, Technology Street, Hill Side Avenue, Powai Mumbai, Mumbai – 400 076 Tel.: + 91 22 6733 6400; Fax: + 91 22 4053 6699 E-mail: <a href="mailto:grievances@irb.co.in">grievances@irb.co.in</a>
12. Dematerialisation of Shares and Liquidity	99.99% shares of your Company are held in the electronic mode as on March 31, 2023
13. Electronic Clearing Service (ECS)	Members are requested to update their bank account details with their respective depository participants (for shares held in the electronic form) or write to the Company's Registrars and Transfer Agents, M/s. KFin Technologies Limited (for shares held in the physical form).
14. Investor Complaints to be addressed to	Registrars and Transfer Agents or Mr. Mehul Patel, Company Secretary, at the addresses mentioned earlier.
15. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion Date and likely impact on equity	The Company has not issued any GDRs/ADRs/ Warrants or any Convertible Instruments.
16. Plant Locations	The Company does not have any manufacturing plant.
17. Details of Suspension of Securities from trading if any	Not Applicable.
18. Debenture Trustees (for privately placed debentures):	IDBI Trusteeship Services Limited Gr Flr, Universal Insurance Bldg, Sir Phirozshah Mehta Rd., Fort, Bazargate Mumbai 400001
19. Credit Rating:	The details of credit rating are mentioned in the Board's report of the Company.
20. Investor Centre	As an ongoing endeavour to enhance Investor experience and leverage new technology, Company's RTA have been continuously developing new applications, a list of which is given below:  (i) Investor Support Centre:  A webpage accessible via any browser-enabled system, Investors can use a host of services like Post a query, Raise a service request, Track the status of their DEMAT and REMAT request, Dividend status, Interest and Redemption status, Upload exemption forms (TDS), Download all ISR and other related forms URL: <a href="https://ris.kfintech.com/clientservices/isc/default.aspx">https://ris.kfintech.com/clientservices/isc/default.aspx</a>  (ii) eSign Facility: Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination require that the eSign option be provided to Investors for raising service requests. KFIN is the only RTA which has enabled the option and can be accessed via this link: <a href="https://ris.kfintech.com/clientservices/isr/isr1.aspx?mode=f3Y5zP9DDN%3d">https://ris.kfintech.com/clientservices/isr/isr1.aspx?mode=f3Y5zP9DDN%3d</a>  (iii) KYC Status: Shareholders can access the KYC status of their folio. The webpage has been created to ensure that shareholders have requisite information regarding the folios: URL: <a href="https://ris.kfintech.com/clientservices/isc/kycqry.aspx">https://ris.kfintech.com/clientservices/isc/kycqry.aspx</a>  (iv) KPRISM: A mobile application as well as a webpage which allows users to access Folio details, Interest and Dividend status, FAQs, ISR Forms and a full suite of other investorservices. URL: <a href="https://kprism.kfintech.com/signin.aspx">https://kprism.kfintech.com/signin.aspx</a>



## G. Disclosures

### i) Related Party Transactions

There have been no materially significant related party transactions, pecuniary transactions or relationships between your Company and the Directors, management, subsidiary or relatives, except for those disclosed in the financial statements for the year ended March 31, 2023 and as reported in the Directors' Report in terms of requirement under Section 134 of the Companies Act, 2013. The Policy for determining material subsidiaries and the policy on related party transaction is available on your Company's website <https://www.irb.co.in/home/investors-relations-code-policies/>

### ii) Details of Non-Compliance, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

The stock exchange(s) viz. BSE and NSE Limited levied fine for minor non-compliance of guidance note on SEBI Circular dated January 22, 2020 in relation to the constitution of audit committee under Regulation 18(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the period of December 29 to December 31, 2021. Regulation 18 (1) requires at least two-thirds of the members of audit committee to be independent directors, while as per the aforesaid guidance note, any fraction shall be rounded off to the higher number. The Company paid the fine and informed Stock exchange(s) i.e. BSE & NSE Limited that Ms. Priti Savla – Independent Director was appointed as a member of the Audit Committee w.e.f. February 10, 2022 and the Company is in compliance with aforesaid regulation & guidance note. No further communication was received from BSE and NSE for quarter ended December 31, 2021.

As per Regulation 21(3)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the gap between two Risk Management Committee (RMC) Meetings should not elapse more than 180 days. The first meeting of the Risk Management Committee for financial year 2022-23 was held on August 5, 2022. The Next meeting was to be conducted on or before February 1, 2023. However the next meeting was held on February 13, 2023.

Other than the above provided details there has been no other non-compliance of any legal requirements nor have there been any strictures imposed by any Stock Exchange or SEBI or any statutory authority on any matter related to Capital Markets during the last three years.

### iii) Corporate Governance Report

Your Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has complied following Non-mandatory requirements as specified in Part E of Schedule II.

#### A. Shareholder Rights

The quarterly results are uploaded on the website of the Company. The Company discusses with the Institutional Investors and Equity Analysts on the Company's performance on a periodic basis and earning presentation / Investor presentation / Transcript are also available on the website of the Company.

#### B. Modified opinion(s) in audit report

During the year under review, there is no audit qualification on the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.

#### C. Reporting of internal auditor

The Internal Auditor's report to the Audit Committee of the Company. They participate in the meetings of the Audit Committee of the Board of Directors of the Company and present their internal audit observations to the Audit Committee.

#### iv) Whistle Blower Policy / Vigil Mechanism

Your Company has adopted a Vigil Mechanism (SPOC Policy) for directors, employees, vendors/ consultants to report genuine concerns and has widely circulated/ displayed for the information of the concern.

We further confirm that no personnel have been denied access to the Audit Committee.

#### v) Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms a part of the Annual Report and includes various matters specified under Regulation 34(3), and Para B of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### vi) Compliance with Mandatory Requirements

Your Company has complied with all the mandatory corporate governance requirements under the Listing Regulations.

#### vii) Certificate on Corporate Governance

The Practicing Company Secretary's certificate, with respect to compliance with Regulation 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance, has been annexed to the Boards Report and will be sent to the Stock Exchanges at the time of filing the Company's Annual Report.

#### viii) Compliance Certificate

As per Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Compliance Certificate from the Chief Executive Officer and the Chief Financial Officer, on the Financial Statements and other matters of the Company for the Financial Year ended March 31, 2023, was placed before the Board.

#### ix) Risk Management

The Company has laid down procedures to inform Board Members about the Risk Assessment and minimisation procedure, which are periodically reviewed by the Board.

#### x) Reconciliation of Share Capital Audit

As stipulated by SEBI, a Reconciliation of Share Capital Audit is carried out by an Independent Practicing Company Secretary on quarterly basis to confirm reconciliation of the issued and listed capital, shares held in dematerialised and physical mode and the status of the register of members.

#### xi) Policy for determining material subsidiaries

The Company has disclosed the policy for determining material subsidiaries as per the requirement of Regulation 46(2)(h) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on its website: <https://www.irb.co.in/home/investors-relations-code-policies/>

#### xii) Commodity Price Risks and Commodity Hedging Activities

Disclosure with respect to commodity price risks and commodity hedging activities are not applicable to the

#### xvii) Disclosure on material subsidiaries

Name of the Material Subsidiaries	Date of incorporation	Place of Incorporation	Name of the statutory auditor	Date of appointment/ re-appointment of statutory auditor
Modern Road Makers Private Limited	March 15, 1994	Mumbai, Maharashtra, India	M/s. Pawar Kuvadia and Associates	September 9, 2022
Mhaiskar Infrastructure Private Limited	January 28, 2004	Mumbai, Maharashtra, India	M/s. A.J.Kotwal & Co. LLP	September 9, 2022
IRB MP Expressway Private Limited	December 19, 2000	Mumbai, Maharashtra, India	M/s. Gokhale & Sathe	August 31, 2022

#### xviii) Corporate Governance Requirements

The Company has complied with Corporate Governance Requirements specified under Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 is also available on your Company's website: [www.irb.co.in](http://www.irb.co.in)

xix) As per SEBI Notification dated January 04, 2017, we hereby confirm that no employee including Key Managerial Personnel or Director or Promoter of the Company has entered into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

Company as the Company is engaged into Infrastructure development.

#### xiii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

As disclosed in the Board's Report of the Company, during the year under review, the Company has not received any complaint of sexual harassment.

#### xiv) Fees paid to Statutory Auditors

Total fees of ₹ 11.09 Million for financial year 2022-23, for all services, was paid by the Company and its subsidiaries to the Joint statutory auditors and all entities in the network firm/network entity of which the statutory auditors are a part.

#### xv) Utilization of funds raised through Preferential Allotment or Qualified Institutions Placement Regulation 32(7A):

During the year under review, the Company has not raised funds through preferential allotment or Qualified Institutional Placement.

#### xvi) Loans and advances in the nature of loans to firms/ companies in which directors are interested

The Company is in ordinary course of business provide loans and advances to subsidiaries. The details of the same are mentioned in the Financial Statement of the Company.

xx) Certificate from Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

As per provisions of Listing Regulations, M/s. Mihen Halani & Associates, Company Secretaries, has issued a certificate confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed as Annexure A.

#### H. Usage of electronic payment modes for making cash payments to the investors

SEBI, through its Circular No. CIR/MRD/DP/10/2013, dated March 21, 2013, has mandated the companies to use Reserve Bank of India (RBI) approved electronic

payment modes, such as ECS [LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], NEFT and others to pay members in cash.

Recognizing the spirit of the circular issued by the SEBI, Members whose shareholding is in the electronic mode are requested to promptly update change in bank details with the Depository through your Depository Participant for receiving dividends through electronic payment modes.

Members who hold shares in physical form are requested to promptly update change in bank details with the Company/Registrar and Transfer Agents, M/s. KFin Technologies Ltd.(Unit: IRB Infrastructure Developers Ltd) for receiving dividends through electronic payment modes.

The Company reminds to the shareholders to encash unpaid/unclaimed dividend and IPO refund amount as per records.

#### I. Market price data for the period ending March 31, 2023

The market price data, i.e., monthly high and low prices of the Company's shares on BSE & NSE are given below:

Month	BSE		NSE	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April, 2022	270.3	230.6	270	230.5
May, 2022	250.15	185.5	250.25	185.5
June, 2022	233.9	179.05	234	178.9
July, 2022	218.95	193.75	219	193.70
August, 2022	269.8	214.25	270	214.45
September, 2022	247.45	198.2	247.50	198.10
October, 2022	246	206.1	246	206
November, 2022	287.65	231.45	287.60	231.70
December, 2022	329.3	261.65	329.40	261.80
January, 2023	323.65	252	323.90	251.80
February, 2023*	300.95	27.7	301	27.65
March, 2023*	30.87	22.56	30.90	22.50

\*Revision in share price is due to sub-division of equity shares of the Company w.e.f. February 22, 2023.

#### J. Shareholding pattern as on March 31, 2023\*

Sr. No.	Description	No. of Shareholders	No. of Shares	%
1	Promoter and Promoter Group	9	2,06,55,75,980	34.20
2	Public	2,03,645	3,97,34,24,020	65.80
3	Non Promoter-Non Public	0	0	0
<b>TOTAL</b>		<b>2,03,654</b>	<b>6,03,90,00,000</b>	<b>100.00</b>

\*as filed with stock exchange

#### K. Distribution of shareholding as on March 31, 2023

Sr. No.	Category	No. of Shareholders	Total Shareholders (%)	No. of Shares	Total Shares(%)
1	1-5,000	1,92,744	94.64	14,09,92,034	2.33
2	5,001-10,000	5,839	2.87	4,61,82,597	0.76
3	10,001-20,000	2,519	1.24	3,77,81,899	0.63
4	20,001-30,000	839	0.41	2,15,80,999	0.36
5	30,001-40,000	367	0.18	1,31,38,217	0.22
6	40,001-50,000	304	0.15	1,43,60,128	0.24
7	50,001-1,00,000	473	0.23	3,57,66,933	0.59
8	1,00,001 & Above	569	0.28	5,72,91,97,193	94.87
<b>TOTAL</b>		<b>2,03,654</b>	<b>100.00</b>	<b>6,03,90,00,000</b>	<b>100.00</b>

#### L. Performance in comparison to BSE SENSEX

Month	IRB High	IRB Low	SENSEX High	SENSEX Low
April, 2022	270.3	230.6	60845.1	56009.07
May, 2022	250.15	185.5	57184.21	52632.48
June, 2022	233.9	179.05	56432.65	50921.22
July, 2022	218.95	193.75	57619.27	52094.25
August, 2022	269.8	214.25	60411.2	57367.47
September, 2022	247.45	198.2	60676.12	56147.23
October, 2022	246	206.1	60786.7	56683.4
November, 2022	287.65	231.45	63303.01	60425.47
December, 2022	329.3	261.65	63583.07	59754.1
January, 2023	323.65	252	61343.96	58699.2
February, 2023*	300.95	27.7	61682.25	58795.97
March, 2023*	30.87	22.56	60498.48	57084.91

\*Revision in share price is due to sub-division of equity shares of the Company w.e.f. February 22, 2023.

#### M. Dividend distribution policy

##### Background

Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), requires the top one thousand listed companies (based on market capitalization as on March 31 of every financial year) to formulate a dividend distribution policy ("Policy"). The Policy is required to be disclosed on the website of the listed entity and a web-link is to be provided in the listed entity's annual reports.

IRB Infrastructure Developers Ltd ("the Company") is listed on BSE Limited (BSE) and National Stock Exchange

of India Limited (NSE) and is required to formulate the Policy considering its market capitalisation.

##### Purpose

The purpose of this Policy is to facilitate the process of dividend recommendation or declaration and its pay-out by the Company for all stakeholders of the Company. The profits earned by the Company can either be retained in business or used for acquisitions, expansion or diversification, or it can be distributed to the shareholders. The Company may in consultation with the board of directors choose to retain a part of its profits and distribute the balance among its shareholders as dividend.

### Computation of the dividend

The Company being in infrastructure development, executes highway projects on 'build operate and toll' basis. The concession agreement and agreements with Project Lenders (as defined under the respective concession agreements) require the Company to infuse equity and provide financial support in terms of unsecured loans from time to time to the Project SPVs.

Therefore, the dividend policy of the Company recognizes the Company's contracted obligations and also growth prospects in Infrastructure Sector. Subject to this, the board of directors of the Company ("Board") shall endeavour to maintain the Dividend Payout Ratio (Dividend / Consolidated Net Profit after tax for the year) upto 25% or such higher ratio to maximise the dividend pay-out ratio. This limit is subject to the availability of free cash flow and other factors as stated below.

It is pertinent to note that as per lending agreements, the Company/ SPVs have to maintain certain financial & reserve ratios. They are different for each borrower i.e. SPVs/ Company. It is always the Company's endeavor to remain complied with such conditions. However, in case the Company exceed any such parameters/ ratios, lending agreement may restrict the company to distribute the dividend at the ratio stated above. In such case, the Board may decide to declare dividend in compliant with the lending agreements/ arrangements/ its contracted obligations.

### Circumstances under which shareholders may not expect dividend

The circumstances under which shareholders may not expect dividend shall include but not be limited to, the following:

- a) Changes in material laws applicable to the Company that materially impacts the business and the revenue stream of the Company;
- b) Losses (if any) incurred by the Company; and
- c) Uncertainty of the earnings/ financial results of the Company on account of macro-economic conditions impacting the Business of the Company.

### Financial parameters considered while declaring dividend

Dividend shall be declared or paid only out of profits or out of such amounts as may be specified under the Companies Act, 2013, and the rules made thereunder, Listing Regulations and other applicable laws. Additionally, the factors set out in this Policy could also impact the declaration of dividend. Primarily, the distribution of dividend shall take into account (a) the net profits after

tax accumulated reserves, cash flow position, leverage profile etc.

### Factors affecting dividend declaration

The declaration of dividend is dependent upon various internal and external factors including the performance of the Company, the availability of free cash flow, liquidity position, company's projects, proposed bids and its prospects. However, the Company's plans to grow organically/ inorganically and various other economic and business conditions prevalent in the industry will play a significant role while considering the declaration of dividend.

The key external and internal factors relevant to the business of the Company including but not limited to:

#### External Factors

1. **Economic Environment:** This includes the economic environment and market conditions prevalent at the time of declaration of dividend i.e., a liberal approach with respect to dividend payment when the market conditions are favorable and a conservative approach in case of unfavorable market conditions.
2. **Legal and Regulatory Framework:** This includes the legal requirements, regulatory conditions or restrictions laid down under the applicable laws including tax laws prevailing at the time of declaration of dividend.
3. **Sectoral framework:** The nature and performance of industries in which the Company is operating, influences the dividend decision. Industries with stable demand throughout the year are in a position to have stable earnings and help declare stable dividends.
4. **Tax framework:** The tax policy including the rate of corporate tax, and other taxes influences the amount of dividend to be declared out of profits available to the Company.

#### Internal Factors

1. **Accumulated Earnings:** The stability and magnitude of Company's earnings could directly influence the dividend rate and therefore the dividend is directly linked with the availability of the earnings (including accumulated earnings) with the Company.
2. **Liquidity Position:** If the Company does not have sufficient cash resources to make dividend payment, then it may reduce the amount of dividend pay-out.
3. **Business Growth:** Business growth of the Company in a particular year vis-a-vis the growth in the

previous years, growth capital for organic & inorganic growth through merger and/or acquisitions as deemed necessary from time to time

4. **Cash Outflow:** Present and future capital requirements of the business (example day to day requirements, funding of new bids and projects)
5. **Past Dividend Trends:** The Company may consider its historical records with respect to past dividend declared by the Company or other market participants in the industry.
6. **Covenants in lending & Joint Venture documents:** Financial commitments and obligations undertaken by the Company with its borrowers and joint venture partners.

#### Utilization of retained earnings

Since the company operates in a capital intensive business, it is required to maintain healthy proportion of equity investment in its projects. The retained earnings will be deployed in meeting such requirements. These earnings may be utilized for internal financing of its various projects and for fixed as well as working capital.

### Parameters for different classes of shares

At present, the company has only one class of equity shares. It does not require adoption of a different policy for other classes of shares.

### Review and Amendment

- a) This Policy may be reviewed by the Board every 3 years or such other period required by the Board to ensure that the objectives are relevant to the prevailing legislation and needs of the Company.
- b) Notwithstanding (a) above, the Board has the right to change/ amend the policy as may be expedient taking into account the law for the time being in force at any time.
- c) Any changes or additions to the Policy shall be disclosed on the Company's website

## CERTIFICATE OF PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To  
The Members of  
**IRB INFRASTRUCTURE DEVELOPERS LIMITED**  
CIN: L65910MH1998PLC115967

We have examined the compliance of conditions of Corporate Governance by IRB Infrastructure Developers Ltd (“the Company”), for the year ended on March 31, 2023, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations as given to us, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI (LODR) Regulations”), except as mentioned below:

Pursuant to regulation 21(3C) of SEBI (LODR) Regulations, 2015, the Risk Management Committee (“RMC”) meetings during the review period were held on August 05, 2022 and February 13, 2022. However, the gap between two consecutive meetings of RMC has elapsed more than 180 days

We state that in respect of investor’s grievance received during the year ended March 31, 2023, the Registrar and Transfer Agent of the Company have certified that as at March 31, 2023, there were no investors’ grievances remaining unattended / pending to the satisfaction of the investor.

We further state 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.

For **MIHEN HALANI & ASSOCIATES**  
Practicing Company Secretaries

Place: Mumbai  
Date: 30.08.2023  
UDIN: F009926E000893853

Sd/-  
**MIHEN HALANI**  
(Proprietor)  
CP No: 12015  
FCS No: 9926

## ANNEXURE A CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**IRB INFRASTRUCTURE DEVELOPERS LIMITED**  
CIN: L65910MH1998PLC115967  
Off No-11th Floor/1101 Hiranandani Knowledge Park,  
Technology Street, Hill Side Avenue,  
Powai, Mumbai – 400 076

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of IRB Infrastructure Developers Limited bearing CIN - L65910MH1998PLC115967 and having registered office situated at Off No-11th Floor/1101 Hiranandani Knowledge Park, Technology Street, Hill Side Avenue, Powai, Mumbai – 400 076, Maharashtra, India (**hereinafter referred to as “the Company”**), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs at “www.mca.gov.in”) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation	Date of appointment in Company
1	Mr. Virendra Dattatraya Mhaiskar	00183554	Managing Director	13/12/2006
2	Mrs. Deepali Virendra Mhaiskar	00309884	Wholetime Director	27/07/1998
3	Mr. Ravindra Dhariwal	00003922	Non-Executive - Non Independent Director	05/08/2022
4	Mr. Jose Angel Tamariz Martel Goncer	09441516	Non-Executive - Non Independent Director	29/12/2021
5	Mr. Sunil Talati Himatlal	00621947	Non-Executive - Independent Director	13/12/2010
6	Ms. Priti Paras Savla	00662996	Non-Executive - Independent Director	10/02/2022
7	Mr. Sandeep Jasvantlal Shah	00917728	Non-Executive - Independent Director	05/02/2015
8	Mr. Chandrashekhar Shankarrao Kaptan	01643564	Non-Executive - Independent Director	03/08/2007

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MIHEN HALANI & ASSOCIATES**  
Practicing Company Secretaries

Place: Mumbai  
Date: 30.08.2023  
UDIN: F009926E000893864

Sd/-  
**MIHEN HALANI**  
(Proprietor)  
CP No: 12015  
FCS No: 9926

## INDEPENDENT AUDITORS' REPORT

### To the Members of IRB Infrastructure Developers Limited

#### Report on the Audit of Consolidated Financial Statements

##### Opinion

We have jointly audited the accompanying consolidated financial statements of IRB Infrastructure Developers Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements of subsidiaries and joint ventures as were audited by other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India,

of their consolidated state of affairs of the Group and its joint ventures as at March 31, 2023, of consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

##### Basis for Opinion

We conducted our joint audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our joint audit of the consolidated financial statements for the year ended March 31, 2023. These matters were addressed in the context of our joint audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

##### The Key Audit Matter

###### Assessment of impairment of investment in and loans provided to joint ventures and fair valuation of other receivable (refer Note 5, 7 and 8 to the consolidated financial statements)

A) The Group has an investment in joint ventures of ₹ 43,188.64 million held at cost less impairment. Investments in joint ventures are considered to be associated with significant risk in respect of valuation. Changes in business environment could also have a significant impact on the valuation. The investments are carried at cost less any impairment in value of such investments. The investments are examined for impairment at each reporting date. These investments are unquoted and hence it is difficult to measure the recoverable amount.

The Group performs an annual assessment of impairment for its investments in joint ventures at each cash generating unit (CGU) level, to identify any indicators of impairment. The recoverable amount of the CGUs which is based on the higher of the value in use or fair value less costs to sell, has been derived from discounted forecast cash flow models.

These models use several key assumptions, concerning estimates of future revenue growth, concession period, operations costs, the discount rate, qualitative assessments of the status of the project and cost of complete for balance work.

##### How the Key Audit Matter was addressed in our joint audit

###### A) Impairment of investment in joint ventures:

###### Our audit procedures included:

1. Evaluated the design and implementation and verified, on a test check basis the operating effectiveness of key controls placed around the impairment assessment and process of the recoverability of the investments made. It included estimating future cash flows forecasts, the process by which they were produced, and discount rates used.
2. Assessed Group's identification of CGU with reference to the guidance in the applicable accounting standards.
3. Verified on test check basis the underlying 'value in use' model to assess the adequacy of specific inputs such as the discount rate, long-term growth rate and use of methodology.
4. Assessed the net worth of joint ventures on the basis of latest available financial statements.
5. Evaluated sensitivity in the difference between the estimated value and book values of the projects, where change in assumptions could cause the carrying amount to exceed its estimated present value.

##### The Key Audit Matter

The Group's assessment of the remaining 'value in use' is judgmental because it is based on forecast results and uncertain outcomes. Further, determining these estimates may be subject to a degree of Group's bias.

B) The Group has extended loans to joint ventures which are assessed for impairment at each year end. Financial assets, which include loans to joint ventures aggregated to ₹ 6,110.00 million at March 31, 2023. Further, The Group has receivable of ₹ 35,776.26 million as on March 31, 2023 from a joint venture on account of transfer of 9 project companies to the said joint venture.

Due to the nature of the business in the infrastructure projects, the Group is exposed to heightened risk in respect of the impairment of the loans granted to the aforementioned related parties and fair valuation of other receivables due from joint venture.

There is a judgment involved on the impairment of loans and other receivables which is dependent on number of infrastructure projects being completed as per the schedule timelines and generation of future cash flows.

There is also a judgement involved on assessing impairment of other receivables which rely on key assumptions such as timing of collection, the discount rate, and the probability of success in respect of the claims.

##### How the Key Audit Matter was addressed in our joint audit

6. Assessed the work performed by management's external valuation experts, including the valuation methodology and the key assumptions used. Further, also assessed the competence, capabilities and objectivity of the experts used by the management in the process of evaluating impairment models.
7. Involved our internal valuation specialists, to evaluate the reasonability of the methodology, approach and assumptions used in the valuation carried out for determining the value in use of investments in joint ventures.
8. Considered the adequacy of disclosures in respect of the investment in joint ventures.

###### B) Impairment of loans given to joint ventures and other receivable from joint venture:

###### Our audit procedures included:

1. Evaluated the design and implementation and testing operating effectiveness of key internal controls placed around the impairment assessment process of the loans to joint ventures and other receivable from joint venture.
2. Obtained Group's assessment of the fair valuation of the other receivables which includes cash flow projections over the duration of the other receivables. These projections are based on underlying infrastructure project cash flows which are sensitive to some of the claims to be settled with the customers.
3. Examined the key controls in place for issuing new loans and evidenced the Board of Directors approval obtained.
4. Assessing the net worth of joint ventures based on latest available financial statements along with assessing that those joint ventures have historically been profit-making and are servicing the principal and interest schedule on timely basis.
5. Obtained Company's assessment of the impairment of the loans and other receivables, which includes cash flow projections over the duration of the loans/advances and other receivables. These projections are based on underlying infrastructure project cash flows which are sensitive to some of the claims to be settled with the customers.
6. Assessed the work performed by management's as well as management's external valuation expert, including the valuation methodology and the key assumptions used. Further, also assessed the competence, capabilities and objectivity of the expert used by the management in the process of evaluating impairment models.
7. Involved our internal valuation specialist, where appropriate, to evaluate the reasonability of the methodology, approach and assumptions used in the valuation carried out for determining the carrying amount of investments and fair value of other receivable from joint venture.
8. Obtained confirmations to evaluate the completeness and existence of loans to joint ventures and other receivables from joint ventures as on March 31, 2023.
9. Verified the classification and adequacy of disclosures of the loans and other receivables.

**The Key Audit Matter****Measurement of Construction revenue (refer Note 24 to the consolidated financial statements)**

Revenue from construction contracts represents 66.73 % of the total revenue from operations of the Group. Revenue from these contracts is recognised on satisfaction of performance obligation over time in accordance with the requirements of relevant accounting standards.

The Group has construction contracts whose revenue recognition is dependent on a high level of judgement over the percentage of completion. It is based on their best estimate of the costs to complete valuation of contractual variations, claims and ability to deliver the contract within the contractual time limit.

The Group uses the input method based on costs incurred to measure progress of the projects. Under this approach, the entity recognises revenue based on the costs incurred to date relative to the estimated total costs to complete the performance obligation. Profit is not recognised until the outcome of the contract is fairly certain.

Revenue is a key performance indicator of the Group. Accordingly, there is a risk that the Group may influence the judgements and estimates of revenue recognition in order to achieve performance targets to meet market expectations or incentive links to performance.

Revenues, total estimated contract costs and profit recognition may deviate significantly from original estimates based on new knowledge about cost overruns and changes in scope/ term of a construction contract.

**Impairment Testing for Intangible Assets– Toll Collection Rights (refer Note 4 to the consolidated financial statements)**

As at March 31, 2023, the carrying amount of intangible assets and intangible assets under development is ₹ 2,55,298.04 million and ₹ NIL million respectively.

The Group and its joint ventures have toll collection rights as intangible assets pursuant to the concession agreement. The carrying value of these rights acquired under BOT & TOT basis is being compared to the recoverable value (which is value in use in the instant case) thereof to ascertain for impairment.

The process involves estimating the value in use of the asset which is determined by forecasting and discounting future cash flows. The same is sensitive to changes in discount rate, traffic growth rates, toll rates, concession period etc.

The determination of the recoverable amount of the toll collection right involves significant judgment due to inherent uncertainty in the assumptions evaluated for recoverable amount of these rights.

Accordingly, the evaluation of impairment of toll collection rights has been determined a key audit matter.

**How the Key Audit Matter was addressed in our joint audit****Measurement of construction Revenue****Our audit procedures included:**

1. Evaluated the accounting policy for revenue recognition of the Company and assessed compliance of the policy in terms of principles enunciated under Ind AS 115.
2. Evaluated the design and implementation and verified, on a test check basis, operating effectiveness of key controls around the contract price, estimation of costs to complete and billings to customers and management's testing of these attributes.
3. Obtained and verified on test check basis the contract and other related contractual provisions including contractually agreed deliverables, termination rights, penalties for delay, etc. to understand the nature and scope of the arrangements with the customer.
4. Assessed key judgements inherent in the estimation of significant construction contract projects. It includes comparing the stage-of completion and costs to completion on significant projects using Lender's Engineer latest certificate/Monthly Progress report.
5. Assessed the estimated costs to complete, variations in contract price and contract costs and sighted underlying invoices, signed contracts/statements of work completed for all ongoing projects.
6. Obtained the Group's process for identifying related parties and recording related party transactions. Assessed Group's key controls in relation to the assessment and approval of related party transactions and examined Company's disclosures in respect of the transactions.
7. Verified samples of manual journals posted to revenue to identify unusual items.
8. Assessed that the disclosures made by the management is in compliance of Ind AS -115.

**Impairment Testing of Toll Collection Rights****Our audit procedures included:**

1. Evaluated the design and implementation and verified, on a test check basis the operating effectiveness of key controls around the estimation of future cash flows forecasts, the process by which they were produced and the discount rates used.
2. Understanding Group's and its joint venture assessment on impairment for intangible assets - toll collection rights and intangible under development. Assessed the model by testing the mathematical accuracy of the discounted cash flow model, evaluation of the assumption and methodologies on a test check basis that were used to arrive at the underlying recoverable value.
3. Engaged internal valuation specialists to evaluate the adequacy of specific inputs such as the discount rate, traffic growth rate, toll charges etc.
4. Focused on key assumptions such as discount rate, traffic growth rates, toll rates, concession period etc. which were most sensitive to the recoverable value of the intangible asset.
5. Evaluated the objectivity, independence and competence of specialists involved.
6. Checked the adequacy of disclosures in respect of the intangible assets - toll collection rights and intangible under development.

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our joint audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Board of Directors for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its Joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors and Management of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors and Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for overseeing the financial reporting process of the Group and of its joint ventures.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing ("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 consolidated financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

**Other Matters**

- a. We did not audit the financial statements of 16 (sixteen) subsidiaries, whose financial statements reflect total assets of ₹ 2,85,002 million (before consolidation adjustments) as at March 31, 2023, total revenues of ₹ 54,175 million (before consolidation adjustments) and net cash flows amounting to ₹ 485 million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax (and total other comprehensive income) of ₹ 7 million for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 (one) joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture, is based solely on the reports of the other auditors.
- b. The consolidated financial statements reflect total assets of ₹ 79,863 million (before consolidation adjustments) as at March 31, 2023, total revenues of ₹ 21,647 million (before consolidation adjustments) and net cash flows amounting to ₹ 66 million for the year ended on that date of 5 (five) subsidiaries, as considered in the consolidated financial statements which have been audited by Gokhale & Sathe, Chartered Accountants, one of the joint auditor of the Holding Company. The consolidated financial statements also include the Group's share of net loss after tax (and total other comprehensive income) of ₹ 1,063 million for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 2 (two) joint ventures whose financial statements have been

audited by Gokhale & Sathe, Chartered Accountants, one of the joint auditor of the Holding Company.

- c. The consolidated financial statements of the Company for the year ended March 31, 2022, were jointly audited by B S R & Co. LLP, Chartered Accountants and Gokhale & Sathe, Chartered Accountants, the statutory auditors of the Group whose report dated May 17, 2022 expressed an unmodified opinion on those statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint ventures incorporated in India, none of the directors of the Group companies and its joint ventures incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and its joint ventures incorporated in India 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint ventures – Refer Note 33 to the consolidated financial statements.
  - ii. The Group and its joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and joint ventures incorporated in India.
  - iv. (a) The respective Managements of the Holding Company and its subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and joint ventures to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The respective Managements of the Holding Company and its subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint ventures respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries and joint ventures from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiaries and joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (iv)

(a) and (iv)(b) above, contain any material mis-statement.

- v. On the basis of our verification and on consideration of the reports of the statutory auditors of subsidiaries that are Indian companies under the Act, interim dividend declared and paid by the Holding Company and its subsidiaries during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013. The joint ventures have neither declared nor paid any dividend during the year.

The 2nd interim dividend declared by the Holding Company for the year is in accordance with section 123 of the Companies Act 2012 to the extent it applies to declaration of dividend. However, the said dividend was not paid on the date of this audit report (Refer note 15(c) to the Consolidated financial statements).

- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company, and its subsidiary companies and joint ventures incorporated in India only w.e.f. April 1, 2023, reporting under this clause is not applicable.

2. In our opinion, according to information, explanations given to us, the remuneration paid by the Group and its joint ventures to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

3. According to the information and explanations given to us, the details of Qualifications/adverse remarks made by the respective auditors of the subsidiaries, and joint venture in the Companies (Auditor's Report) Order 2020 (CARO) Reports issued till the date of our audit report for the companies included in the consolidated financial statements are as follows:

Sr. No.	Name of the Company	CIN	Holding /Subsidiary/ Joint Venture	Clause number of the CARO Report
1	IRB Infrastructure Developers Limited	L65910MH1998PLC115967	Holding Company	(3) (ix) d
2	Aryan Hospitality Private Limited	U55101MH2008PTC189243	Subsidiary	(3) (ix) d
3	Aryan Infrastructure Investment Private Limited	U45201MH2006PTC163684	Subsidiary	(3) (xvii)
4	Aryan Toll Road Private Limited	U45200MH2003PTC138808	Subsidiary	(3) (xvii)
5	ATR Infrastructure Private Limited	U45200MH2003PTC140999	Subsidiary	(3) (xvii)
6	GE1 Expressway Private Limited	U45400MH2016PTC272250	Subsidiary	(3) (xvii)
7	IRB Ahmedabad Vadodara Super Express Tollways Private Limited	U45400MH2011PTC218122	Subsidiary	(3) (ix) d
8	IRB Goa Tollway Private Limited	U45203MH2010PTC199746	Subsidiary	(3) (iii) e (3) (xvii)
9	IRB Kolhapur Integrated Road Development Company Private Limited	U51100MH2008PTC182054	Subsidiary	(3) (xvii)
10	IRB MP Expressway Private Limited	U45202MH2000PTC130112	Subsidiary	(3) (iii) e
11	IRB PS Highway Private Limited	U26940MH2010PTC203790	Subsidiary	(3) (xvii)
12	IRB Sindhudurg Airport Private Limited	U45200MH2009PTC195740	Subsidiary	(3) (xvii)
13	Thane Ghodbunder toll Road Private Limited	U45203MH2005PTC155349	Subsidiary	(3) (xvii)

Sr. No.	Name of the Company	CIN	Holding /Subsidiary/ Joint Venture	Clause number of the CARO Report
14	Samakhiyali Tollway Private Limited	U42101MH2023PTC398913	Subsidiary	(3) (xvii)
15	MMK Toll Road Private Limited	U45200MH2002PTC135512	Joint Venture	(3) (xvii)
16	Chittoor Thachur Highway Private Limited.	U45400MH2021PTC369357	Subsidiary	(3) (xvii)
17	Mhaskar Infrastructure Private Limited	U45200MH2004PTC144258	Subsidiary	(3) (xvii)
18	Pathankot Mandi Highway Private Limited	U45309MH2021PTC359447	Subsidiary	(3) (xvii)
19	Meerat Budaun Expressway Limited	U45309MH2022PLC374506	Joint Venture	(3) (xvii)

For **Gokhale & Sathe**  
Chartered Accountants  
ICAI Firm Registration No.103264W

**Chinmaya Deval**  
Membership No.: 148652  
UDIN: 23148652BGSVCK4273

Mumbai  
May 19, 2023

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

**Siddharth Iyer**  
Membership No.: 116084  
UDIN: 23116084BGYNL3499

Mumbai  
May 19, 2023

## ANNEXURE A

to the Independent Auditor's Report on even date on the Consolidated Financial Statements of IRB Infrastructure Developers Limited

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

As part of a joint 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 consolidated 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to consolidated financial statements 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 ability of the Group and its joint ventures 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 consolidated 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 Group and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures,

and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 joint audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the joint audit of the consolidated financial statements for the year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **Gokhale & Sathe**  
Chartered Accountants  
ICAI Firm Registration No.103264W

**Chinmaya Deval**  
Membership No.: 148652  
UDIN: 23148652BGSVCK4273

Mumbai  
May 19, 2023

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

**Siddharth Iyer**  
Membership No.: 116084  
UDIN: 23116084BGYNL3499

Mumbai  
May 19, 2023



## ANNEXURE B

to the Independent Auditor's Report of even date on the Consolidated Financial Statements of IRB Infrastructure Developers Limited.

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of IRB Infrastructure Developers Limited on the consolidated Financial Statements for the year ended March 31, 2023]

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

### Opinion

In conjunction with our joint audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls reference to consolidated financial statements of IRB Infrastructure Developers Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group") and its Joint Ventures, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies and its joint ventures, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal with reference to consolidated financial statements criteria established by the respective companies 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 ("the ICAI").

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies and its joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note. 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 the respective 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 Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiary companies

and its joint ventures, which are companies incorporated in India, based on our audit. We conducted our joint audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our joint audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies and its joint venture, which are companies incorporated in India.

### Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements 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 consolidated 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 consolidated financial statements.

### Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may

occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 16 subsidiary companies and 1 joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **Gokhale & Sathe**

Chartered Accountants

ICAI Firm Registration No.103264W

**Chinmaya Deval**

Membership No.: 148652

UDIN: 23148652BGSVCK4273

Mumbai

May 19, 2023

For **M S K A & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W

**Siddharth Iyer**

Membership No.: 116084

UDIN: 23116084BGYONL3499

Mumbai

May 19, 2023

**CONSOLIDATED BALANCE SHEET**

as at March 31, 2023

(₹ in Million)			
	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	9,348.85	9,458.46
Capital work in progress	4	75.35	267.55
Right to use asset	51	76.13	115.83
Goodwill on consolidation	4	78.04	78.04
Other Intangible assets	4	2,55,298.04	2,63,058.62
Intangible assets under development	4	-	357.73
<b>Financial assets</b>			
i) Investments	5		
a. investment in joint-ventures		43,188.64	39,525.10
b. other investments		6,263.71	4,882.14
ii) Trade receivables	6	1,341.72	5,998.85
iii) Other financial assets	8	41,701.12	49,322.13
Deferred tax assets	9	636.60	1,289.09
Other non-current assets	10	2.58	38.10
<b>Total non-current assets (A)</b>		<b>3,58,010.78</b>	<b>3,74,391.64</b>
<b>Current assets</b>			
Inventories	11	2,990.01	3,174.59
<b>Financial assets</b>			
i) Investments	5	1,956.99	4,634.98
ii) Trade receivables	6	16,352.31	9,935.47
iii) Cash and cash equivalents	12A	3,005.60	529.75
iv) Bank balances other than (iii) above	12B	21,165.80	16,908.71
v) Loans	7	6,176.03	4,179.61
vi) Other financial assets	8	6,140.86	2,691.10
Current tax assets (net)	13	122.57	816.61
Other current assets	14	11,740.82	8,403.74
<b>Total current assets (B)</b>		<b>69,650.99</b>	<b>51,274.56</b>
<b>TOTAL ASSETS (A+B)</b>		<b>4,27,661.77</b>	<b>4,25,666.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	6,039.00	6,039.00
Other equity	16	1,27,749.99	1,19,617.41
<b>Total equity (A)</b>		<b>1,33,788.99</b>	<b>1,25,656.41</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
i) Borrowings	17	1,42,476.99	1,54,747.17
ii) Lease liabilities	19	45.49	85.06
iii) Other financial liabilities	20	1,06,490.26	1,12,063.99
Provisions	21	537.52	520.43
Deferred tax liabilities	9	1,273.83	853.71
Other non-current liabilities	22	3.88	2,965.63
<b>Total Non-current liabilities (B)</b>		<b>2,50,827.97</b>	<b>2,71,235.99</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
i) Borrowings	17	24,919.87	12,105.50
ii) Lease liabilities	19	39.58	34.92
iii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises	18	419.20	514.59
b) total outstanding dues of creditors other than micro enterprises and small enterprises	18	4,603.10	3,302.66
iv) Other financial liabilities	20	8,367.53	10,717.31
Other current liabilities	22	4,637.45	1,824.80
Provisions	21	34.39	75.80
Current tax liabilities (net)	23	23.69	198.22
<b>Total Current liabilities (C)</b>		<b>43,044.81</b>	<b>28,773.80</b>
<b>TOTAL LIABILITIES (D=B+C)</b>		<b>2,93,872.78</b>	<b>3,00,009.79</b>
<b>TOTAL EQUITY AND LIABILITIES (A+D)</b>		<b>4,27,661.77</b>	<b>4,25,666.20</b>
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

**For M S K A & Associates**Chartered Accountants  
ICAI Firm Registration Number : 105047W**Siddharth Iyer**Partner  
Membership No.: 116084**For Gokhale & Sathe**Chartered Accountants  
ICAI Firm Registration Number : 103264W**Chinmaya Deval**Partner  
Membership No.: 148652Place : Mumbai  
Date : May 19, 2023

For and on behalf of the Board of Directors of

**IRB Infrastructure Developers Limited**

CIN : L65910MH1998PLC115967

**Virendra D. Mhaikar**Chairman & Managing Director  
DIN: 00183554**Sudhir Rao Hoshing**

Chief Executive Officer

**Mehul N. Patel**Company Secretary  
Membership No.: A14302Place : Mumbai  
Date : May 19, 2023**Deepali V. Mhaikar**Whole Time Director  
DIN: 00309884**Tushar Kawedia**

Chief Financial Officer

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**

for the year ended March 31, 2023

(₹ in Million)			
	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>Income</b>			
Revenue from operations	24	64,016.41	58,037.00
Other income	25	3,016.73	5,517.47
<b>Total Income</b>		<b>67,033.14</b>	<b>63,554.47</b>
<b>Expenses</b>			
Cost of material consumed		4,187.56	4,701.25
Road work and site expenses	26	20,767.30	19,083.84
Employee benefits expense	27	3,461.62	2,873.21
Finance costs	28	15,146.26	18,906.23
Depreciation and amortisation expense	29	8,321.20	6,827.70
Other expenses	30	3,309.60	3,403.77
<b>Total expenses</b>		<b>55,193.54</b>	<b>55,796.00</b>
<b>Profit before tax and share of profit/(loss) of joint ventures</b>		<b>11,839.60</b>	<b>7,758.47</b>
Profit/(Loss) from joint ventures	49	(1,070.09)	(2,262.15)
<b>Profit before tax</b>		<b>10,769.51</b>	<b>5,496.32</b>
<b>Tax expenses</b>			
Current tax (including earlier years ₹ (14.80) million (March 31, 2022: ₹ (37.23) million))	31	2,500.18	1,781.97
Deferred tax (credit)/charge		1,069.22	100.38
<b>Total tax expenses</b>		<b>3,569.40</b>	<b>1,882.35</b>
<b>Profit after tax</b>		<b>7,200.11</b>	<b>3,613.97</b>
<b>Other comprehensive income</b>			
<b>Item that will not be reclassified to profit or loss:</b>			
(a) Mark to market gain/(loss) on fair value measurement of investments (net of tax)		1,682.60	244.74
(b) Re-measurement loss on defined benefit plans		16.83	(29.52)
(c) Tax on re-measurement loss on defined benefit plans		(4.26)	7.21
<b>Other comprehensive income for the year, net of tax</b>		<b>1,695.17</b>	<b>222.43</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>8,895.28</b>	<b>3,836.40</b>
<b>Profit for the year attributable to :</b>			
Owners of the Company		7,200.11	3,613.97
Non-controlling interests		-	-
<b>Other Comprehensive income attributable to :</b>			
Owners of the Company		1,695.17	222.43
Non-controlling interests		-	-
<b>Total Comprehensive income attributable to :</b>			
Owners of the Company		8,895.28	3,836.40
Non-controlling interests		-	-
<b>Earnings per share (of ₹1 each)</b>			
Basic	32	1.19	0.87
Diluted	32	1.19	0.87
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

**For M S K A & Associates**Chartered Accountants  
ICAI Firm Registration Number : 105047W**Siddharth Iyer**Partner  
Membership No.: 116084**For Gokhale & Sathe**Chartered Accountants  
ICAI Firm Registration Number : 103264W**Chinmaya Deval**Partner  
Membership No.: 148652Place : Mumbai  
Date : May 19, 2023

For and on behalf of the Board of Directors of

**IRB Infrastructure Developers Limited**

CIN : L65910MH1998PLC115967

**Virendra D. Mhaikar**Chairman & Managing Director  
DIN: 00183554**Sudhir Rao Hoshing**

Chief Executive Officer

**Mehul N. Patel**Company Secretary  
Membership No.: A14302Place : Mumbai  
Date : May 19, 2023**Deepali V. Mhaikar**Whole Time Director  
DIN: 00309884**Tushar Kawedia**

Chief Financial Officer

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

### a. Equity Share Capital

	(₹ in Million)			
	March 31, 2023		March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares of ₹ 1 each issued (March 31, 2022: ₹10.00), subscribed and fully paid-up</b>				
At the beginning the year	60,39,00,000	6,039.00	35,14,50,000	3,514.50
Increase in Equity shares on sub-division of 1 (one) equity share of face value of ₹10 each into 10 (Ten) equity shares of face value of ₹ 1 each*	5,43,51,00,000	-	-	-
Addition during the year	-	-	25,24,50,000	2,524.50
At the end of the year	<b>6,03,90,00,000</b>	<b>6,039.00</b>	<b>60,39,00,000</b>	<b>6,039.00</b>

\*Pursuant to the approval of the shareholders accorded through Postal Ballot on February 06, 2023, each equity share of face value of ₹ 10/- per share was subdivided into 10 equity shares of face value of ₹ 1/- per share.

### b. Other Equity

	(₹ in Million)					
	Reserves and surplus				Items of Other comprehensive income (OCI)	Total
	Securities Premium	Capital Reserve	General reserve	Retained earnings		
<b>As at April 1, 2022</b>	<b>64,402.51</b>	<b>1,269.18</b>	<b>1,946.12</b>	<b>55,202.83</b>	<b>(3,203.23)</b>	<b>1,19,617.41</b>
Profit for the year	-	-	-	7,200.11	-	7,200.11
Group share of unit issue expenses incurred by IRB Infrastructure Trust	-	-	-	(7.82)	-	(7.82)
Other comprehensive income/(loss) for the year	-	-	-	16.83	1,682.60	1,699.43
Tax on re-measurement loss on defined benefit plans	-	-	-	(4.26)	-	(4.26)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,204.86</b>	<b>1,682.60</b>	<b>8,887.46</b>
Dividend on equity shares (refer note 45)	-	-	-	(754.88)	-	(754.88)
<b>As at March 31, 2023</b>	<b>64,402.51</b>	<b>1,269.18</b>	<b>1,946.12</b>	<b>61,652.81</b>	<b>(1,520.63)</b>	<b>1,27,749.99</b>
<b>As at April 1, 2021</b>	<b>14,060.09</b>	<b>1,269.18</b>	<b>1,946.12</b>	<b>51,665.77</b>	<b>(3,447.97)</b>	<b>65,493.19</b>
Profit for the year	-	-	-	3,613.97	-	3,613.97
On fresh issue of shares (net of expenses of ₹ 599.47 million)	50,342.42	-	-	-	-	50,342.42
Group share of unit issue expenses incurred by IRB Infrastructure Trust	-	-	-	(54.60)	-	(54.60)
Other comprehensive income/(loss) for the year	-	-	-	(29.52)	244.74	215.22
Tax on re-measurement loss on defined benefit plans	-	-	-	7.21	-	7.21
<b>Total comprehensive income for the year</b>	<b>50,342.42</b>	<b>-</b>	<b>-</b>	<b>3,537.06</b>	<b>244.74</b>	<b>54,124.22</b>
<b>As at March 31, 2022</b>	<b>64,402.51</b>	<b>1,269.18</b>	<b>1,946.12</b>	<b>55,202.83</b>	<b>(3,203.23)</b>	<b>1,19,617.41</b>

Summary of significant accounting policies 3

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date.

#### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration Number : 105047W

#### Siddharth Iyer

Partner  
Membership No.: 116084

#### For Gokhale & Sathe

Chartered Accountants  
ICAI Firm Registration Number : 103264W

#### Chinmaya Deval

Partner  
Membership No.: 148652

Place : Mumbai  
Date : May 19, 2023

For and on behalf of the Board of Directors of  
**IRB Infrastructure Developers Limited**  
CIN : L65910MH1998PLC115967

#### Virendra D. Mhaikar

Chairman & Managing Director  
DIN: 00183554

#### Sudhir Rao Hoshing

Chief Executive Officer

#### Mehul N. Patel

Company Secretary  
Membership No.: A14302

Place : Mumbai  
Date : May 19, 2023

#### Deepali V. Mhaikar

Whole Time Director  
DIN: 00309884

#### Tushar Kawedia

Chief Financial Officer

## CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Cash flows from operating activities</b>		
Profit before tax	10,769.51	5,496.32
<b>Adjustments to reconcile before tax to net cash flows:</b>		
Depreciation and amortisation	8,321.20	6,827.69
Resurfacing expenses	228.26	57.74
Net (gain) on sale of property, plant and equipment	(125.19)	(11.52)
Fair value (gain) on mutual funds	(45.83)	(84.11)
Gain on fair value measurement of other receivables	(560.53)	(2,161.31)
Share of loss (net) from joint ventures	1,070.09	2,262.15
Net (gain) on sale of current investment	(124.74)	(73.67)
Loss on sale on non current investment	18.76	-
Extinguishment of premium liability	-	(246.41)
Allowance for credit impaired	-	64.10
Finance costs	15,146.26	18,906.23
Interest income	(2,037.60)	(2,940.39)
Other non operating income	-	(197.11)
	<b>32,660.19</b>	<b>27,899.71</b>
<b>Operating profit before working capital changes</b>		
Increase/(Decrease) in trade payables	1,411.95	(3,326.86)
(Decrease)/Increase in provisions	(235.76)	168.73
(Decrease)/Increase in other financial liabilities	(590.78)	523.91
Increase/(Decrease) in other liabilities	1,296.10	(890.65)
(Increase) in trade receivables	(1,759.71)	(8,317.07)
Decrease in inventories	184.58	42.13
Decrease / (Increase) in loans	27.84	(1.06)
(Increase) in other financial assets	(8,864.78)	(5,744.63)
(Increase) in other assets	(4,468.69)	(4,750.14)
<b>Cash generated from operations</b>	<b>19,660.94</b>	<b>5,604.07</b>
Taxes paid (net)	(2,019.64)	(1,962.94)
<b>Net cash flows generated from operating activities</b>	<b>(A) 17,641.30</b>	<b>3,641.13</b>
<b>Cash flows from investing activities</b>		
Addition to intangible assets including intangible assets under development and capital advances	(3,814.07)	(11,422.77)
Purchase of property, plant and equipment	(494.89)	(2,473.04)
Proceeds from sale of property, plant and equipment	207.62	152.39
Proceeds/redemptions from sale of non-current investments	301.30	333.69
Consideration received on sale of subsidiary (net)	3,418.19	-
Investment in joint venture	(4,663.03)	(1,946.33)
Loan given to joint ventures	(2,352.78)	(4,759.00)
Loan repaid by joint ventures	328.51	4,828.83
Proceeds from sale/(purchase) of current investment (net)	2,840.99	(1,354.61)
(Investment in)/proceeds from maturity of bank deposits (having original maturity of more than three months) (net)	(4,257.73)	(54.38)
Interest received	1,982.40	1,160.89
<b>Net cash flows (used in) investing activities</b>	<b>(B) (6,503.49)</b>	<b>(15,534.33)</b>
<b>Cash flows from financing activities</b>		
Proceeds from non-current borrowings	12,975.02	7,934.32
Proceeds from issue of non-convertible debentures	-	3,500.00
Repayment of non-convertible debentures	(1,058.74)	(16,210.00)
Repayment of non-current borrowings	(15,083.09)	(16,653.93)
(Repayment)/proceeds of current borrowings (net)	7,641.41	(8,901.29)
Proceeds from Issue of Equity Share Capital (net of issue expenses)	-	52,866.92
Payment of lease liabilities	(45.55)	(43.38)
Finance cost paid	(12,279.21)	(16,606.99)
Dividend paid on equity shares	(754.88)	-
<b>Net cash flows generated from financing activities</b>	<b>(C) (8,605.04)</b>	<b>5,885.65</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>2,532.77</b>	<b>(6,007.55)</b>
Cash and cash equivalents at the beginning of the year	472.83	6,480.38
<b>Cash and cash equivalents at the end of the year</b>	<b>3,005.60</b>	<b>472.83</b>
<b>Components of cash and cash equivalents</b>		
Balances with banks: (refer note 12A)		
- Trust, retention and other escrow accounts	144.25	68.09
- Current accounts	2,311.87	246.46
- In deposit accounts with original maturity less than 3 months	439.16	100.78
Cash on hand	110.32	114.42
Less: Book overdraft (refer note 20)	-	(56.92)
<b>Total cash and cash equivalents</b>	<b>3,005.60</b>	<b>472.83</b>
<b>Debt reconciliation statement in accordance with Ind AS 7</b>		
<b>Opening balance as at beginning of period</b>		
Long term borrowings	1,54,747.17	1,70,524.15
Short term borrowings	12,105.50	21,572.80
<b>Movements</b>		
<b>(a) Cash flows</b>		
Long term borrowings	(3,166.81)	(21,429.61)
Short term borrowings	7,641.41	(8,901.29)
<b>(b) Non cash changes (effective rate of interest accrued, unpaid moratorium interest converted into borrowings, etc)</b>		
Long term borrowings	9,103.37	(5,652.63)
Short term borrowings	(5,172.96)	566.01
<b>(c) Closing balance as at end of period</b>		
Long term borrowings	<b>1,42,476.99</b>	<b>1,54,747.17</b>
Short term borrowings	<b>24,919.87</b>	<b>12,105.50</b>
Summary of significant accounting policies (refer note 3)		

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

Notes :

- All figures in bracket are outflow.
- Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- The consolidated cash flow statement has been prepared under Indirect Method as per Ind AS 7 "Statement of Cash Flows".
- The above consolidated cash flows include ₹ 164.12 million (March 31, 2022: ₹ 201.32 million) towards Corporate Social Responsibility (CSR) activities (refer note 48).

As per our report of even date.

### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration Number : 105047W

### Siddharth Iyer

Partner  
Membership No.: 116084

### For Gokhale & Sathe

Chartered Accountants  
ICAI Firm Registration Number : 103264W

### Chinmaya Deval

Partner  
Membership No.: 148652

Place : Mumbai  
Date : May 19, 2023

For and on behalf of the Board of Directors of  
**IRB Infrastructure Developers Limited**  
CIN : L65910MH1998PLC115967

**Virendra D. Mhaikar**  
Chairman & Managing Director  
DIN: 00183554

**Sudhir Rao Hoshing**  
Chief Executive Officer

**Mehul N. Patel**  
Company Secretary  
Membership No.: A14302

Place : Mumbai  
Date : May 19, 2023

**Deepali V. Mhaikar**  
Whole Time Director  
DIN: 00309884

**Tushar Kawedia**  
Chief Financial Officer

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### 1. Corporate Information

IRB Infrastructure Developers Limited ("the Company") is a Public Company domiciled in India and is incorporated under the provision of the Companies Act (the 'Act') applicable in India. Its shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The registered office is located at 1101, Hiranandani Knowledge Park, 11th Floor, Technology Street, Hill Side Avenue, Opp Hiranandani Hospital, Powai, Mumbai – 400 076, Maharashtra.

### 2. Basis of preparation

#### A. Statement of compliance

The consolidated financial statements comprise of financial statements of IRB Infrastructure Developers Limited ('the Company' or 'the Holding Company') and its subsidiaries (collectively, "the Group") and its joint ventures for the year ended March 31, 2023.

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Act, and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on May 19, 2023.

Details of the Group's accounting policies are included in Note 3. The accounting policies set out below have been applied consistently to the years presented in the consolidated financial statements.

#### B. Functional and presentation currency

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

#### C. Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer note 3.23 under accounting policies regarding financial instruments) which have been measured at fair value.

### 3. Summary of significant accounting policies

#### 3.01 Basis of consolidation

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Group is exposed to, or has the ability to affect

those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive. The consolidated financial statements of the Company and its subsidiaries have been combined on a line-by-line basis while eliminating the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The financial statements of subsidiaries are included in these consolidated financial statements from the date that control commences until the date that control ceases. For the purpose of preparing these consolidated financial statements, the accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the consolidated statement of profit and loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost and the differential is recognised in the consolidated statement of profit and loss. Subsequently, it is accounted for as an equity accounted investee depending on the level of influence retained.

The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on March 31.

#### Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full, except as stated in point iv. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

of profits and losses resulting from intragroup transactions.

- iv. The Build, Operate and Transfer (BOT) / Design, Build, Finance, Operate and Transfer (DBFOT) contracts are governed by Service Concession Agreements with government authorities (grantor). Under these agreements, the operator does not own the road, but gets “toll collection rights” against the construction services rendered. Since the construction revenue earned by the operator is considered as exchanged with the grantor against toll collection rights, revenue is recognised at fair value of construction services rendered and profit from such contracts is considered as realised.

Accordingly, BOT / DBFOT contracts awarded to group companies (operator), where work is subcontracted to fellow subsidiaries, the intra group transactions on BOT / DBFOT contracts and the profits arising thereon are taken as realised and not eliminated.

- vi. The following entities are considered in the Consolidated Financial Statements listed below:

Sr. No.	Name of Entity	Principal nature of activity	Proportion of ownership interest either directly or indirectly	
			As on March 31, 2023	As on March 31, 2022
<b>Subsidiaries (Direct and indirect)</b>				
1	Ideal Road Builders Private Limited (IRBPL)	Road Infrastructure	100%	100%
2	Mhaiskar Infrastructure Private Limited (MIPL)	Road Infrastructure	100%	100%
3	Modern Road Makers Private Limited (MRMPL)	Road Infrastructure	100%	100%
4	Aryan Toll Road Private Limited (ATRPL)	Road Infrastructure	100%	100%
5	ATR Infrastructure Private Limited (ATRFL)	Road Infrastructure	100%	100%
6	IRB Infrastructure Private Limited (IRBFL)	Investment Manager	100%	100%
7	Thane Ghodbunder Toll Road Private Limited (TGTRPL)	Road Infrastructure	100%	100%
8	Aryan Infrastructure Investments Private Limited (AIPL)	Real Estate	100%	100%
9	IRB MP Expressway Private Limited (IRBMP) (formerly known as NKT Road and Toll Private Limited)	Road Infrastructure	100%	100%
10	VM7 Expressway Private Limited	Road Infrastructure	100%	100%
11	IRB Kolhapur Integrated Road Development Company Private Limited (IRBK)	Road Infrastructure	100%	100%
12	Aryan Hospitality Private Limited (AHPL)	Hospitality	100%	100%
13	IRB Sindhudurg Airport Private Limited (IRBSA)	Airport development	100%	100%
14	IRB Goa Tollway Private Limited (IRB Goa)	Road Infrastructure	100%	100%
15	IRB PS Highway Private Limited (formerly known as MRM Highways Private Limited) (IRBPS)	Road Infrastructure	100%	100%
16	IRB Ahmedabad Vadodara Super Express Tollway Private Limited (IRBAV)	Road Infrastructure	100%	100%

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Name of Entity	Principal nature of activity	Proportion of ownership interest either directly or indirectly	
			As on March 31, 2023	As on March 31, 2022
17	VK1 Expressway Private Limited (VK1) (upto October 12, 2022)	Road Infrastructure	100%	100%
18	GE1 Expressway Private Limited (formerly known as IRB PP Project Private Limited) (IRBPP)	Road Infrastructure	100%	100%
19	Palsit Dankuni Tollway Private Limited (w.e.f April 15, 2021 and upto April 01, 2022)	Road Infrastructure	100%	100%
20	Pathankot Mandi Highway Private Limited (w.e.f April 23, 2021)	Road Infrastructure	100%	100%
21	Chittoor Thachur Highway Private Limited (w.e.f October 13, 2021)	Road Infrastructure	100%	100%
22	Meerut Badaun Expressway Limited (w.e.f January 05, 2022 and upto October 14, 2022)	Road Infrastructure	100%	100%
23	Samakhiali Tollway Private Limited (w.e.f March 14, 2023)	Road Infrastructure	100%	-
<b>Indirect :</b>				
24	MRM Mining Private Limited - Subsidiary of MRMPL	Road Infrastructure	100%	100%

All the above entities are incorporated in India.

Sr. No.	Name of Entity	Principal nature of activity	Proportion of ownership interest either directly or indirectly	
			As on March 31, 2023	As on March 31, 2022
Joint Ventures (Direct and indirect)				
Direct :				
1	IRB Infrastructure Trust	Private Trust	51%	51%
2	Meerut Badaun Expressway Limited (w.e.f October 15, 2022)	Road Infrastructure	51%	-
3	MMK Toll Road Private Limited	Investment Manager	51%	51%
Indirect :				
1	IRB Westcoast Tollway Limited (IRB Westcoast)	Road Infrastructure	51%	51%
2	Solapur Yedeshi Tollway Limited (SYTL)	Road Infrastructure	51%	51%
3	Yedeshi Aurangabad Tollway Limited (YATL)	Road Infrastructure	51%	51%
4	Kaithal Tollway Limited (KTL)	Road Infrastructure	51%	51%
5	AE Tollway Limited (AETL)	Road Infrastructure	51%	51%
6	Udaipur Tollway Limited (UTL)	Road Infrastructure	51%	51%
7	CG Tollway Limited (CGTL)	Road Infrastructure	51%	51%
8	Kishangarh Gulabpura Tollway Limited (KGTL)	Road Infrastructure	51%	51%
9	IRB Hapur Moradabad Tollway Limited (IRBHM)	Road Infrastructure	51%	51%
10	Palsit Dankuni Tollway Private Limited (PDTPPL) (w.e.f April 02, 2022)	Road Infrastructure	51%	51%

All the above entities are incorporated in India.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### 3.02 Business combinations and goodwill

The excess of cost to the Group of its investments in subsidiary companies over its share of the equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognised as 'Goodwill' being an asset in the consolidated financial statements. This Goodwill is tested for impairment at the close of each financial year. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investment of the group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

### 3.03 Investment in joint ventures

The Group's interests in equity accounted investees comprise interests in joint ventures. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases. When the Group's share of losses in an equity accounted investment equals or exceeds its interest in an entity; the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of other entity.

The Group reviews its carrying value of investments annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

### 3.04 Current versus non-current classification

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

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

### 3.05 Use of estimates and judgements

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

#### Estimates and assumptions

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur. In the following items there is significant judgments and estimates which are key in preparation of consolidated financial statements:

- Fair value measurement of financial instruments (refer note 41)
- Revenue recognition based on percentage of completion (refer note 24)
- Impairment of non- financial assets and goodwill (refer note 3.28)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### 3.06 Foreign currency transactions and balances

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

#### Transactions and balance

Transactions in foreign currencies are initially recorded by each entity in the Group at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the consolidated statement of profit and loss.

Exchange difference arising on non current foreign currency monetary items related to acquisition of property, plant and equipment are added/deducted from the cost of asset and amortised along with the construction cost.

### 3.07 Fair value measurement

The Group measures financial instruments, (refer note 41) at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

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

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the

Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

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

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

On an annual basis, the Management presents the valuation results to the Audit Committee and the Group's independent auditors. This includes a discussion of the major assumptions used in the valuations.

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

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Disclosures for valuation methods, significant estimates and assumptions (note 40 and 42)

Financial instruments (including those carried at amortised cost) (note 5, 6,7,8,12,17,18,19,40 and 42)

Quantitative disclosure of fair value measurement hierarchy (note 41)

### 3.08 Revenue recognition

The Group has applied the following accounting policy for revenue recognition:

#### Revenue from contracts with customers:

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

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

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

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

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

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

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

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

#### Contract revenue (construction contracts)

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. If total cost is estimated to exceed total contract revenue, the Group provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. For contracts where the Company bears certain indirect tax as it's own expense, and are effectively acting as principals and collecting the indirect taxes on their own account, revenue from operations is presented as gross of such indirect taxes. In cases, where the total consideration is exclusive of certain indirect taxes and other duties, the Company is acting as an agent and revenue from operations is accounted net of indirect taxes. Claims are recognised to the extent that it is probable that they will result in revenue, they are capable of being reliably measured and it is not unreasonable to expect ultimate collection.

Income from the concession arrangements earned under the intangible asset model consists of the (i) fair value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and (ii) payments actually received from the users. The intangible asset is amortised over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Group, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortised in line with the actual usage of the specific public utility facility, with a maximum of the duration of the concession.

#### Contract revenue from Hybrid Annuity Contracts

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

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

Financial receivable is recorded at a fair value of guaranteed residual value to be received at the end of the concession period. This receivable is subsequently measured at amortised cost. In the financial assets model, the amount due from the grantor meet the identification of the receivable which is measured at fair value. Based on business model assessment, the Group measures such financial assets at fair value and subsequently also classifies the same as fair value through profit and loss ("FVTPL"). Any asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

#### Operation and maintenance contracts

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

#### Income from toll contracts

The income from Toll Contracts on BOT basis are recognised on actual collection of toll revenue (net of revenue share payable to NHAI) as per Concession Agreement. Revenue from electronic toll collection is recognised on accrual basis.

#### Revenue from wind-mill power generation (Sale of electricity)

Revenue from wind-mill power generation is recognised when the electricity is delivered to electricity distribution company at a common delivery point and the same is measured on the basis of meter reading.

#### Income from airport services

Revenue from airport operations i.e. Aeronautical and Non Aeronautical operations are recognized on accrual basis, net of Goods and Service Tax (GST), and applicable discounts when services are rendered. Aeronautical operations include user development fee (UDF), Landing, Parking

of aircraft, aerobridge charges and fuel farm. The main streams of revenue from non-aeronautical includes duty-free, retail, advertisement, food & beverages, cargo, ground handling, car parking and land and space rentals.

Land and Space Rentals pertains to granting Right to use land and space primarily for catering to the need of passengers, air traffic services and air transport services.

Revenue from commercial property development rights granted to concessionaires is recognized on accrual basis, as per the terms of the agreement entered into with the customers.

#### Interest income

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

#### Dividends

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

#### Contract balances

##### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Group performs its obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognised for the earned consideration that is conditional. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the Customer.

##### Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Group performs under the contract.

### 3.09 Government Grants

Grants and subsidies from the government are recognised if the following conditions are satisfied:

- There is reasonable assurance that the Group will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Government grants are recognised in accordance with the terms of the respective grant on accrual basis considering the status of compliance of prescribed conditions and ascertainment that the grant will be received.

Grant received are considered as a part of the total outlay of the construction project and accordingly, the same is reduced from the gross value of assets.

### 3.10 Taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted the reporting date in the country where the Company operates and generates taxable income. Current income tax relating to items recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the

time of the transaction affects neither the accounting profit nor taxable profit or loss.

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

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

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

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

Deferred tax relating to items recognised outside consolidated statement of profit and loss is recognised outside consolidated statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in the consolidated statement of profit and loss. Deferred tax is recognised in consolidated statement of profit and loss on the consolidated adjustments.

On March 30, 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. The notification clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after April 1, 2019. As per the Group's assessment, there are no material income tax uncertainties over income tax treatments.

### Minimum Alternate Tax (MAT)

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

### 3.11 Property, plant and equipment

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

Property, plant and equipment acquired in a business combination are recognised at fair value at the acquisition date.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate,

only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the standalone Statement of Profit and Loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress"

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

### Airport Assets

The Group depreciates airport assets in accordance with order no. 35/2017-18 (as amended from time to time), issue by Airport Economic Regulatory Authority (AERA) in the matter of determination of useful lives of Airport Assets and is calculated on Straight Line method (SLM) using the useful lives as prescribed under AERA. Land improvements cost has been bifurcated into buildings, Roads and Runway based on significant component accounting though useful life of land improvement and other class of assets is different.

Asset class	Useful life	As per AERA
Land improvement cost	Lease term (99 years)	Lease Term
Building	30-60 years	30-60 yrs
Runway, taxiway and apron	30 years	30 years
Electrical Installation	10 years	10 years
Plant and Equipment	15 years	15 years
Computers	3 years	3 years

### Other than Airport Assets

Depreciation is calculated on written down value method (WDV) using the useful lives as prescribed under the Schedule II to the Companies Act, 2013 or re-assessed by the Group based on technical evaluation.

Property, plant and equipment which are significant to the total cost the item of Property, plant and equipment having difference useful life are accounted and depreciated separately.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

The Group has estimated the following useful lives for its tangible fixed assets :

Asset class	Useful life	As per Companies Act, 2013
Building	30 years	30 years
Plant & Machinery	9 years - 15 years	9 years - 15 years
Office equipment	5 years	5 years
Computers	3 years	3 years
Servers	6 years	6 years
Vehicles	8 years	8 years
Furniture & fixtures	10 years	10 years

### 3.12 Intangible Assets

The Group exercised first time adoption under Ind AS 101 and has elected to continue with the carrying value of its “Toll Collection Rights” (Intangible Assets) including corresponding obligation, as recognised in the consolidated financial statements as at the date of transition April 1, 2016 measured as per the Previous GAAP and uses that as its deemed cost as at date of transition.

With effect from 1 April 2016, toll collection rights are stated at cost, less accumulated amortisation, impairment losses and grant from government. Cost includes:

- For acquired Toll Collection Rights – fair value of upfront payments towards acquisition and incidental expenses related thereto.
- Toll Collection Rights awarded by the grantor against construction service rendered by the Group on BOT / DBFOT basis - Direct and indirect expenses on construction of roads, bridges, culverts, infrastructure and other assets at the toll plazas.
- Toll Collection Rights in lieu of premium - Undiscounted premium obligation over the concession period.

#### Amortisation

Toll Collection Rights are amortised over the period of concession, using revenue based amortisation as prescribed in Ind As-38. Under this method, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

### Intangible assets under development

Expenditure related to and incurred during implementation of project are included under “Intangible Assets under Development”. The same will be transferred to the respective intangible assets on completion of project.

### 3.13 Borrowing costs

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

### 3.14 Leases

The Group has adopted Ind AS 116-Leases effective 1 April, 2019, using the prospective method. Accordingly, previous period information has not been restated.

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

#### Group as a lessee

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in ‘property, plant and equipment’ and lease liabilities in ‘loans and borrowings’ in the statement of financial position.

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

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### 3.15 Inventories

Inventories are valued as follows:

#### Construction materials, components, stores, spares and tools:

Lower of cost and net realisable value. Cost is determined on weighted average basis and includes all applicable costs in bringing goods to their present location and condition.

#### Work-in-progress and finished goods

Lower of cost and net realisable value. Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

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

#### Land

Land of real estate business are valued at lower of cost and net realisable value.

Cost includes land, cost of acquisition, legal cost and all other cost to transfer the legal and beneficial ownership of land in the name of the Group.

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

### 3.16 Assets held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as ‘held for sale’ when all of the following criteria's are met: (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

### 3.17 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### 3.18 Premium Deferral

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

### 3.19 Resurfacing expenses

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

### 3.20 Contingent Liability and Contingent assets

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

### 3.21 Retirement and other employee benefits

#### i. Defined contribution plan

Retirement benefits in the form of provident fund, Pension Fund and Employees State Insurance Fund are a defined contribution scheme and the

contributions are charged to the Statement of profit and loss for the period when the employee renders related services. There are no other obligations other than the contribution payable to the respective authorities.

#### ii. Defined benefit plan

The Group has maintained a Group Gratuity Scheme with M/s. Life Insurance Corporation of India (LIC) managed by a separate Trust, towards which it annually contributes a sum based on the actuarial valuation made by M/s. LIC. Gratuity liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

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

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

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

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

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

#### iii. Compensated absences

As per the leave encashment policy of the Group, the employees have to utilise their eligible leave during the calendar year and lapses at the end of the calendar year. Accruals towards compensated

absences at the end of the financial year are based on last salary drawn and outstanding leave absence at the end of the financial year.

### 3.22 Financial instruments

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

#### Financial assets

##### Initial recognition and measurement

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

On initial recognition, a financial asset is classified as measured of

- amortised cost
- FVOCI - Debt instruments
- FVOCI - equity instruments
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the year, the Company changes its business model for managing financial assets.

#### Debt instruments at amortised cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

#### Debt instrument at FVTOCI

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

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

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

#### Debt instrument at FVTPL

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

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

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

#### Equity investments

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

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

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

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for the year ended March 31, 2023

### Derecognition

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

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

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

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

### Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind AS 17
- -Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 (referred to as contractual revenue receivables' in these consolidated financial statements)

- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

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

- Trade receivables; and
- Other receivables

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

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

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

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

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Financial liabilities

#### Initial recognition and measurement

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

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

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

#### Subsequent measurement

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

#### Financial liabilities at fair value through Statement of profit and loss

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

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

#### Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings. For more information refer note 17.

#### Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

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

#### Offsetting of financial instruments

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

### 3.23 Derivative instrument

The Group uses derivative financial instruments, such as interest rate swaps to hedge its interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

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

### 3.24 Cash and cash equivalents

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

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

### 3.25 Deferred consideration receivable

Deferred consideration is classified as an asset and is measured at fair value on the transaction date. Subsequently, contingent consideration is remeasured to fair value at each reporting date, with changes included in the statement of profit and loss.

### 3.26 Cash dividend to equity holders of the Group

The Group recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### 3.27 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

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

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

### 3.28 Events after reporting date

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

### 3.29 Segment information

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments, the Management ("the Board of Directors") evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

#### Segment Policies:

Based on "Management Approach" as defined in Ind AS 108 - Operating Segments, the Management evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### 3.30 Earnings per share

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

### 3.31 Recent Accounting Pronouncement:

- (i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements. The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure. The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.
- (ii) Definition of Accounting Estimates – Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors. The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

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

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

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

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

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

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

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

Based on the preliminary assessment, the group does not expect these amendment to have any significant impact on its Consolidated financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 4 : Property, Plant and Equipment and Capital work in progress

Particulars	₹ in Million)										
	Land	Building	Airport Assets	Plant and machinery	Office equipments	Computer	Vehicles	Furniture and fixture	Total	Capital work in progress	Grand Total
<b>Cost</b>											
<b>At 31 March 2021</b>	92.05	564.68	109.44	1,261.00	47.04	120.06	329.09	58.82	2,582.17	360.60	2,942.77
Additions	-	1,121.66	6,674.66	625.03	8.09	11.51	133.41	3.60	8,577.96	345.69	8,923.65
Disposals/ Adjustments	-	(236.30)	-	(3.96)	(1.15)	(1.65)	(30.54)	(0.10)	(273.70)	(438.74)	(712.44)
<b>At 31 March 2022</b>	92.05	1,450.04	6,784.10	1,882.07	53.98	129.92	431.96	62.32	10,886.43	267.55	11,153.98
Additions	45.14	-	5.31	117.41	7.19	10.14	306.09	3.61	494.89	161.27	656.16
Disposals/ Adjustments	(15.33)	(88.51)	(0.12)	(242.55)	(0.28)	(3.27)	(136.33)	(2.41)	(488.80)	(353.47)	(842.27)
<b>At 31 March 2023</b>	121.86	1,361.53	6,789.29	1,756.93	60.89	136.79	601.72	63.52	10,892.52	75.35	10,967.87
<b>Depreciation</b>											
<b>At 31 March 2021</b>	-	208.48	36.75	593.50	34.31	104.21	183.90	43.72	1,204.86	-	1,204.86
Additions	-	27.38	55.18	127.80	4.76	6.51	58.30	4.75	284.68	-	284.68
Disposals/ Adjustments	-	(26.16)	-	(3.76)	(1.04)	(1.59)	(28.93)	(0.09)	(61.57)	-	(61.57)
<b>At 31 March 2022</b>	-	209.70	91.93	717.54	38.03	109.13	213.27	48.38	1,427.97	-	1,427.97
Additions	-	43.28	140.66	195.25	5.77	9.42	123.34	4.35	522.07	-	522.07
Disposals/ Adjustments	-	(43.00)	-	(228.79)	(0.27)	(3.14)	(128.94)	(2.24)	(406.37)	-	(406.37)
<b>At 31 March 2023</b>	-	209.98	232.59	684.00	43.53	115.41	207.67	50.49	1,543.67	-	1,543.67
<b>Net Book value</b>											
<b>At 31 March 2023</b>	121.86	1,151.55	6,556.70	1,072.93	17.36	21.38	394.05	13.03	9,348.85	75.35	9,424.20
At 31 March 2022	92.05	1,240.34	6,692.17	1,164.53	15.95	20.79	218.69	13.94	9,458.46	267.55	9,726.01

	₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Net Book value</b>		
Property, Plant and Equipment	9,348.85	9,458.46
Capital work-in-progress	75.35	267.55

Notes:

1. During the current and previous year, there has been no exchange loss/(gain) differences and no borrowing cost which has been capitalised.
2. Title deeds of land and building are held in the name of the respective entities in the Group.
3. Airport Assets have been segregated from plant and machinery since commercial operation had commenced in the previous year.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Intangible assets

Particulars	₹ in Million)			
	Goodwill	Toll collection rights	Intangible assets under development	Total
<b>Cost</b>				
<b>At 31 March 2021</b>	88.92	2,86,618.86	6,369.61	2,93,077.39
Additions	-	80.31	357.73	438.04
Deletions	-	-	(6,369.61)	(6,369.61)
<b>At 31 March 2022</b>	88.92	2,86,699.17	357.73	2,87,145.82
Additions	-	0.21	6,875.31	6,875.52
Deletions/transfer *	-	(1.37)	(7,233.04)	(7,234.41)
<b>At 31 March 2023</b>	88.92	2,86,698.01	-	2,86,786.93
<b>Amortisation</b>				
<b>At 31 March 2021</b>	10.88	17,139.20	-	17,150.08
Additions	-	6,511.29	-	6,511.29
Deletions	-	(9.94)	-	(9.94)
<b>At 31 March 2022</b>	10.88	23,640.55	-	23,651.43
Additions	-	7,759.42	-	7,759.42
Deletions	-	-	-	-
<b>At 31 March 2023</b>	10.88	31,399.97	-	31,410.85
<b>Net Book value</b>				
<b>At 31 March 2023</b>	78.04	2,55,298.04	-	2,55,376.08
At 31 March 2022	78.04	2,63,058.62	357.73	2,63,494.39

\* refer note 53

### Capital Work in Progress (including intangible assets under development)

The following reflects the movement of Capital work in progress (including intangible assets under development) for ongoing projects during the period

Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
Opening CWIP (including assets under development) as at	625.28	6,730.21
(+) Additions during the year	7,036.58	703.42
(-) Capitalised / transfer during the year	(7,586.51)	(6,808.35)
<b>Closing CWIP (Including intangible assets under development)</b>	<b>75.35</b>	<b>625.28</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

The following table represents CWIP ( Including intangible assets under development) ageing

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
Less than 1 year	75.35	625.28
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
<b>Total</b>	<b>75.35</b>	<b>625.28</b>

### Tangible and Intangible assets given as security

Refer note 17 for details of security against term loans.

Notes:

- Net block of Toll collection rights includes unamortised portion of Toll Collection Rights in lieu of premium of ₹ 139,776.65 million (March 31, 2022: ₹ 141,230.02 million) in respect of IRBAV.
- Goodwill of ₹ 78.04 million (March 31, 2022: 78.04 million) is on account of acquisition of subsidiary. As at March 31, 2023 and March 31, 2022, it is tested for impairment. The recoverable amount has been determined based on a fair value less costs of disposal, estimated using discounted cash flows. The fair value measurement was categorised as Level 3 fair value based on inputs in the valuation technique used. The key assumption used in the estimation of the recoverable amount was the expected cash flow from sale of boulders discounted at the rate of 10.00% (March 31, 2022: 10.00%). With regard to assessment of value in use, no reasonably possibly change in any of the above key assumptions would cause the carrying amount to exceed the recoverable amount.
- As at 31st March 2023 and 31st March 2022, there are no projects which are suspended.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	March 31, 2023			March 31, 2022		
	Face Value	No of Shares/Units	Non-current	Face Value	No of Shares/Units	Non-current
<b>a) Investment in equity instruments</b>						
<b>Quoted (Fair Value Through Profit and Loss (FVTPL))</b>						
Union Bank of India	10	9,177	0.63	10	9,177	0.36
<b>Unquoted (Fair Value Through Other Comprehensive Income (FVTOCI))</b>						
Indian Highways Management Company Limited	10	5,55,370	5.55	10	5,55,370	5.55
The Kalyan Janta Sahakari Bank Limited	25	2,000	0.50	25	2,000	0.50
Dombivli Nagri Sahakari Bank Limited	50	4,000	0.20	50	4,000	0.20
Sangali Urban Co-operative Bank Limited	15	2	-**	15	2	-**
Purti Power and Sugar Limited *	1	18,50,000	1.85	1	18,50,000	1.85
Less:- Provision for Diminution in value of Investments	-	-	(1.85)	-	-	(1.85)
9% Redeemable Non cumulative Preference shares of Manas Agro Industries and Infrastructure Limited*	10	1,675	0.34	10	1,675	0.34
Less:- Provision for Diminution in value of Investments	-	-	(0.34)	-	-	(0.34)
Manas Agro Industries and Infrastructure Limited*	10	80,434	16.31	10	80,434	16.31
Less:- Provision for Diminution in value of Investments	-	-	(16.31)	-	-	(16.31)
			<b>6.25</b>			<b>6.25</b>
* Due to the demerger and capital reduction of Purti Power and Sugar Limited						
** value below ₹ 500/-.						
<b>b) Investments in Joint Ventures</b>						
<b>i. Equity instruments</b>						
<b>Unquoted (Measured as per equity accounting method)</b>						
MMK Toll Road Private Limited (refer note 49)	10	35,70,000	45.69	10	35,70,000	53.11
IRB Infrastructure Trust (refer note 49) *	100^	44,84,39,840	39,541.71	100^	43,60,72,332	39,471.99
Meerut Budaun Expressway Limited (refer note 49)	10	27,19,58,000	2,893.25	-	-	-
Palshit Dankuni Tollway Private Limited (refer note 49)	10	50,000	0.79	-	-	-
<b>ii. Non convertible debentures (unquoted) (at cost)</b>						
Meerut Budaun Expressway Limited	1,00,000	7,072	707.20	-	-	-
			<b>43,188.64</b>			<b>39,525.10</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	March 31, 2023				March 31, 2022			
	Face Value	No of Shares/ Units	Current	Non-current	Face Value	No of Shares/ Units	Current	Non-current
<b>c) Investments in Government or trust securities</b>								
<b>Unquoted (Amortised cost)</b>								
National saving certificates	-	-	-	0.17	-	-	-	0.17
<b>d) Investments in Mutual Funds</b>								
<b>Quoted (Fair Value Through Profit or Loss (FVTPL))</b>								
Aditya Birla Sun Life Liquid Fund - Direct Plan Growth	100	15,07,948	547.51	-	100	14,70,678	1,581.48	-
SBI Liquid Fund- Direct Plan Growth	-	-	-	-	1,000	5,09,541	1,698.35	-
SBI Banking & PSU Fund- Direct Plan Growth	1,000	5,07,920	1,409.48	-	1,000	5,07,920	1,355.15	-
<b>Investments in units of Fund</b>								
<b>Quoted (Fair Value Through Other Comprehensive Income (FVTOCI))</b>								
IRB InvIT Fund (refer note 53)	102 <sup>^</sup>	9,27,05,000	-	6,256.66	102 <sup>^</sup>	9,27,05,000	-	4,875.36
<b>Total (a+b+c+d+e)</b>								
Aggregate book value of quoted investments			1,956.99	6,256.66			4,634.98	4,875.36
Market value of quoted investments			1,792.11	7,778.32			4,550.87	8,079.60
Aggregate amount of unquoted investments			1,956.99	6,257.29			4,634.98	4,875.71
Aggregate amount of impairment in value of investments			-	43,195.06			-	39,531.52
All the investments in shares/units are fully paid-up.			-	18.50			-	18.50

<sup>^</sup> Issue price

Refer note 40 for determination of fair value of investments

\* Refer note 17 for details of security against non-convertible debentures and borrowings from banks and financial institutions.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 6 : Trade Receivable (Unsecured, considered good, unless otherwise stated)

Particulars	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Trade receivables - Related parties (refer note 35)*	13,889.88	1,341.72	7,078.48	5,998.85
Trade receivables - Others	2,462.43	-	2,856.99	-
<b>Total</b>	<b>16,352.31</b>	<b>1,341.72</b>	<b>9,935.47</b>	<b>5,998.85</b>

The current portion of trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

The non-current portion of trade receivable are not interest bearing and receivable after one year.

There are no trade or other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

\*Refer note 17 for details of security against non-convertible debentures and borrowings from banks and financial institutions.

The Group has not identified any credit impairment loss as at March 31, 2023 and March 31, 2022.

The above trade receivables are undisputed

Refer note 42 for explanations on the Company's financial risk management processes and trade receivable ageing.

### Note 7 : Loans (Unsecured, considered good, unless otherwise stated)

Particulars	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
- To related parties (interest free) (refer note 35)	6,115.55	-	4,114.51	-
Others				
- Loans to employees	60.48	-	65.10	-
<b>Total</b>	<b>6,176.03</b>	<b>-</b>	<b>4,179.61</b>	<b>-</b>

There are no current loans which has significant increase in credit.

The above loans to related parties includes loan to key managerial personnel of ₹ 5.30 million (March 31, 2022: ₹ 28.52 million) (refer note 35)

Except as disclosed above, there is no amount due from director, other officer of the Company, firms or joint-ventures in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 8 : Other financial assets

(Unsecured, considered good, unless otherwise stated)

Particulars	(₹ in Million)			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Security and other deposits	68.90	69.19	76.19	52.13
Interest accrued on fixed deposits	70.74	-	20.90	-
Retention money receivable				
- Related parties (refer note 35)	274.44	-	256.49	-
- Others	92.42	1.01	21.77	1.01
Interest receivable from others	-	-	43.35	-
Receivable from Government Authorities (NHAI / MSRDC)	220.45	-	185.22	-
Receivable under service concession arrangement (refer note 38(B)) *	4,206.54	5,854.66	1,889.62	14,101.97
Employees Group Gratuity Scheme (the Trust)	0.12	-	-	-
Receivable from related parties (refer note 35)				
- Deferred consideration towards sale of subsidiaries	-	35,776.26	-	35,167.02
- Others (receivable towards reimbursement of expenses)	1,173.03	-	197.56	-
Other receivable (receivable towards reimbursement of expenses)	34.22	-	-	-
Other receivable (from contractor) credit impaired	64.10	-	64.10	-
Less: Allowance for credit impairment	(64.10)	-	(64.10)	-
<b>Total</b>	<b>6,140.86</b>	<b>41,701.12</b>	<b>2,691.10</b>	<b>49,322.13</b>

\*Refer note 17 for details of security against non-convertible debentures and borrowings from banks and financial institutions.

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

### Note 9 : Deferred tax assets /Deferred tax liabilities

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Deferred tax liabilities(net) :</b>		
Deferred tax liabilities:		
- Fair valuation on current investments	1.40	1.40
- Fair valuation on Financial Asset receivables and loans	1,279.14	861.61
Deferred tax assets:		
- Expenditure allowed on payment basis - Gratuity	(6.71)	(9.14)
- Fair valuation on current investments	-	(0.16)
	<b>1,273.83</b>	<b>853.71</b>
<b>Deferred tax assets (net):</b>		
Deferred tax assets:		
MAT credit entitlement	95.84	172.53
Business Losses and unabsorbed depreciation	237.28	546.90
Financial Assets Receivables and Loans	241.01	452.08
Expenditure allowed on payment basis - Gratuity	11.51	65.49
Difference in depreciation/ amortisation and other differences	78.65	85.11
Deferred tax liabilities:		
Fair valuation on current investments	(27.69)	(33.02)
	<b>636.60</b>	<b>1,289.09</b>
<b>Deferred tax liability (net)</b>	<b>(637.23)</b>	<b>435.38</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Movement in deferred tax assets/ liabilities

March 31, 2023

Particulars	(₹ in Million)				
	Balance Sheet	Statement of profit and loss	OCI	Other adjustments	Balance Sheet
	March 31, 2022	April 1, 2022 to March 31, 2023			March 31, 2023
<b>Deferred tax assets:</b>					
MAT Credit Entitlement	172.53	(76.69)	-	-	95.84
Expenditure allowed on payment basis					
- Gratuity	74.63	(53.02)	(4.26)	0.87	18.22
Difference in depreciation/ amortisation and other differences	85.11	(6.46)	-	-	78.65
Tax losses	546.90	(309.62)	-	-	237.28
	<b>879.17</b>	<b>(445.79)</b>	<b>(4.26)</b>	<b>0.87</b>	<b>429.99</b>
<b>Deferred tax liabilities:</b>					
Difference in Depreciation/ amortisation and other differences	(34.26)	5.17	-	-	(29.09)
Fair valuation on Financial Asset receivables and loans	(409.53)	(628.60)	-	-	(1,038.13)
	<b>(443.79)</b>	<b>(623.43)</b>	<b>-</b>	<b>-</b>	<b>(1,067.22)</b>
<b>Deferred tax Asset/ (Liability)</b>	<b>435.38</b>	<b>(1,069.22)</b>	<b>(4.26)</b>	<b>0.87</b>	<b>(637.23)</b>

March 31, 2022

Particulars	(₹ in Million)				
	Balance Sheet	Statement of profit and loss	OCI	Other adjustments	Balance Sheet
	March 31, 2021	April 1, 2021 to March 31, 2022			March 31, 2022
<b>Deferred tax assets:</b>					
MAT Credit Entitlement	143.81	387.53	-	(358.81)	172.53
Expenditure allowed on payment basis					
- Gratuity	52.67	14.75	7.21	-	74.63
Difference in depreciation/ amortisation and other differences	276.53	(191.42)	-	-	85.11
Tax losses	237.65	309.25	-	-	546.90
	<b>710.66</b>	<b>520.11</b>	<b>7.21</b>	<b>(358.81)</b>	<b>879.17</b>
<b>Deferred tax liabilities:</b>					
Difference in Depreciation/ amortisation and other differences	(24.06)	(10.20)	-	-	(34.26)
Fair valuation on Financial Asset receivables and loans	-	(409.53)	-	-	(409.53)
	<b>(24.06)</b>	<b>(419.73)</b>	<b>-</b>	<b>-</b>	<b>(443.79)</b>
<b>Deferred tax Asset/ (Liability)</b>	<b>686.60</b>	<b>100.38</b>	<b>7.21</b>	<b>(358.81)</b>	<b>435.38</b>

### Note 10 : Other non - current assets

(Unsecured, considered good, unless otherwise stated)

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Capital advances	2.58	38.10
<b>Total</b>	<b>2.58</b>	<b>38.10</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 11 : Inventories

(valued at lower of cost and net realisable value)

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Construction material*	1,290.93	1,475.51
Land	1,699.08	1,699.08
<b>Total</b>	<b>2,990.01</b>	<b>3,174.59</b>

\* Cash credit is secured by way of pari-pasu charge on stock

### Note 12A : Cash and cash equivalents

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Cash and Bank balances</b>		
Balances with banks:		
- on current accounts	2,311.87	246.46
- on escrow accounts	144.25	68.09
<b>Deposits with banks</b>		
- Original maturity less than 3 months	439.16	100.78
Cash on hand	110.32	114.42
<b>Total</b>	<b>3,005.60</b>	<b>529.75</b>

### Note 12B : Bank balance other than cash and cash equivalents

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Maturity more than 3 months but less than 12 months</b>		
Debt service reserve account with banks /earmarked balance*	2,365.55	2,458.87
Margin money deposits against bank guarantees**	3,770.48	344.88
Other deposits with banks	13,154.00	13,241.68
<b>Maturity more than 12 months ***</b>		
Debt service reserve account with banks /earmarked balance*	1,757.40	-
Margin money deposits against bank guarantees **	88.54	729.54
Other deposits with banks	22.67	125.94
<b>Balances with Banks in :</b>		
Unpaid dividends	7.16	7.80
<b>Total</b>	<b>21,165.80</b>	<b>16,908.71</b>

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

Bank deposits are marked lien / pledged against the non current secured loan as per term loan agreement with the lender, further the lenders have first charge on trust, retention and other escrow accounts.

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

\*\* Margin money deposits are earmarked against bank guarantees taken by the Company and for subsidiaries of the Company.

\*\*\* The deposits to the extent of ₹ 1,845.94 million (March 31, 2022 : ₹ 729.54 million) maintained by the Group with bank includes time deposits, which are held against Debt Service Reserve (DSR) and margin money against bank guarantees, are considered as current portion under the head "Bank balance other than cash and cash equivalents" since the same are encashable by the lenders in the event of default by the Group, if any.

Current deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the group and earn interest at the respective current deposit rates. Other time deposits earn interest at the rate of 3.00% to 8.00% p.a. (March 31, 2022: 3.15 % to 8.75% p.a.)

Refer note 17 for details of security against non-convertible debentures and borrowings from banks and financial institutions.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

For the purpose of the Statement of cash flows, cash and cash equivalents comprises of the following:

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Balances with banks</b>		
- Escrow accounts	144.25	68.09
- Current accounts	2,311.87	246.46
- In deposit accounts with original maturity less than 3 months	439.16	100.78
Cash on hand	110.32	114.42
Less: Book overdraft	-	(56.92)
<b>Total Cash and cash equivalents</b>	<b>3,005.60</b>	<b>472.83</b>

Cash and cash equivalents excludes bank overdraft of ₹ 7,310.05 million (March 31, 2022 : ₹ 3,366.37 million).

Against the said overdraft facility, the Company has deposits to the extent of ₹ 13,150.00 million (March 31, 2022 : ₹ 13,150.00 million) included under Bank balances other than cash and cash equivalents.

### Note 13 : Current tax assets (net)

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Advance income-tax (net of provision for tax) of ₹ 7.51 million (March 31, 2022: ₹ 5,058.00 million)	122.57	816.61
<b>Total</b>	<b>122.57</b>	<b>816.61</b>

### Note 14 : Other current assets

(Unsecured, considered good, unless otherwise stated)

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Advance with suppliers	477.91	623.95
Mobilisation advances	3,497.20	456.19
Prepaid expenses	168.11	463.17
Duties and taxes receivable	1,315.35	1,945.02
Contract assets (refer note 35 for related party)	6,282.25	4,915.41
<b>Total</b>	<b>11,740.82</b>	<b>8,403.74</b>

Refer note 17 for details of security against non-convertible debentures and borrowings from banks and financial institutions.

### Note 15 : Equity share capital

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Equity share capital</b>		
<b>Authorised share capital</b>		
6,150,000,000 equity shares of ₹ 1 each (March 31, 2022 : 615,000,000 equity share of ₹ 10 each)	6,150.00	6,150.00
<b>Issued, subscribed and fully paid-up shares of ₹ 1.00 each (March 31, 2022 : ₹ 10.00 each)</b>		
At the beginning of the year 603,900,000 shares (March 31, 2022 : 351,450,000 shares)	6,039.00	3,514.50
Addition during the year - Nil (March 31, 2022 : 252,450,000 shares)	-	2,524.50
<b>At the end of the year 6,039,000,000 shares of ₹1 each (March 31, 2022 : 603,900,000 shares of ₹ 10 each)</b>	<b>6,039.00</b>	<b>6,039.00</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

#### Equity shares of ₹ 1 each issued, subscribed and fully paid-up

Particulars	(₹ in Million)			
	March 31, 2023		March 31, 2022	
	No. of shares	₹ in million	No. of shares	₹ in million
At the beginning of the year	60,39,00,000	6,039.00	35,14,50,000	3,514.50
Addition during the year	-	-	25,24,50,000	2,524.50
Increase in Equity shares on sub-division of 1 (one) equity share of face value of ₹ 10 each into 10 (Ten) equity shares of face value of ₹ 1 each	5,43,51,00,000	-	-	-
<b>At the end of the year</b>	<b>6,03,90,00,000</b>	<b>6,039.00</b>	<b>60,39,00,000</b>	<b>6,039.00</b>

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

Name of shareholders	(₹ in Million)			
	March 31, 2023		March 31, 2022	
	No. of shares	% of total shares	No. of shares	% of total shares
IRB Holding Private Limited	1,99,41,50,150	33.02%	19,94,15,015	33.02%
Cintra INR Investments BV *	1,50,15,92,120	24.86%	15,01,59,212	24.86%
Bricklayers Investment Pte Ltd *	1,02,29,07,880	16.94%	10,22,90,788	16.94%

#### Shareholding of Promoters and Promoter entity

Name of shareholders	March 31, 2023		March 31, 2022		% Change during the year
	No. of shares	% of total shares	No. of shares	% of total shares	
	IRB Holding Private Limited	1,99,41,50,150	33.02%	19,94,15,015	
Virendra D. Mhaskar	5,06,39,850	0.84%	39,83,985	0.66%	0.18%
Virendra D. Mhaskar HUF	10,000	0.00%	1,000	0.00%	0.00%
Deepali Virendra Mhaskar	1,61,44,000	0.27%	16,14,400	0.27%	0.00%

#### Shareholding of Promoters and Promoter entity

Name of shareholders	March 31, 2022		March 31, 2021		% Change during the year*
	No. of shares	% of total shares	No. of shares	% of total shares	
	IRB Holding Private Limited	19,94,15,015	33.02%	19,94,15,015	
Virendra D. Mhaskar	39,83,985	0.66%	39,83,985	1.13%	(0.47%)
Virendra D. Mhaskar HUF	1,000	0.00%	1,000	0.00%	0.00%
Deepali Virendra Mhaskar	16,14,400	0.27%	16,14,400	0.46%	(0.19%)

\* During the previous year, the Company had allotted shares through preferential allotment to (i) Bricklayers Investment Pte Ltd - 16.94% shares and received ₹ 21,664.17 million and (ii) Cintra INR Investments BV - 24.86% shares and received ₹ 31,802.22 million aggregating ₹ 53,466.39 million as approved by the shareholders in Extra-Ordinary General Meeting conducted on November 20, 2021.

\*\* Pursuant to the approval of the shareholders accorded through Postal Ballot on February 06, 2023, each equity share of face value of ₹ 10/- per share was subdivided into 10 equity shares of face value of ₹ 1/- per share.

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

There were no shares issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### c. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1.00 per share post effect of share split (March 31, 2022 : ₹ 10.00 per share). Each holder of equity shares is entitled to one vote per share.

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

During the year ended March 31, 2023, the amount of per share dividend recognised as distributions to equity shareholders is ₹ 1.25 per equity share of face value of ₹ 10 per each (March 31, 2022: ₹ Nil per equity share). (Refer note 15 (b))

The Board of Directors at its meeting held on May 19, 2023 has declared 2nd interim dividend of ₹ 0.075 per equity share of face value of ₹ 1 each.

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.

### Note 16 : Other Equity

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
	<b>Attributable to the equity holders</b>	
<b>a. Securities premium</b>		
At the beginning of the year	64,402.51	14,060.09
Addition during the year on fresh issue of equity shares (net of expenses)	-	50,342.42
At the end of the year	<b>64,402.51</b>	<b>64,402.51</b>
<b>b. Other reserves</b>		
<b>1. Capital Reserve</b>		
At the beginning and at the end of the year	<b>1,269.18</b>	<b>1,269.18</b>
<b>2. General Reserve</b>		
At the beginning and at the end of the year	<b>1,946.12</b>	<b>1,946.12</b>
<b>3. Retained earnings</b>		
At the beginning of the year	55,202.83	51,665.77
Profit for the year	7,200.11	3,613.97
Re-measurement gains/ (losses) on defined benefit plans (net of tax) during the year	16.83	(29.52)
Tax on re-measurement loss on defined benefit plans	(4.26)	7.21
Group share of unit issue expenses incurred by IRB Infrastructure Trust	(7.82)	(54.60)
Less: Appropriations		
Interim equity dividend of ₹ 1.25 per share of face value of ₹ 10 each (March 31, 2022 : ₹ Nil per share)	(754.88)	-
<b>At the end of the year</b>	<b>61,652.81</b>	<b>55,202.83</b>
<b>4. Other Comprehensive Income</b>		
i. Mark to market (losses) on fair value measurement of investments		
At the beginning of the year	(3,203.23)	(3,447.97)
Movement during the year	1,682.60	244.74
<b>At the end of the year</b>	<b>(1,520.63)</b>	<b>(3,203.23)</b>
<b>Total other reserves (1+2+3+4)</b>	<b>63,347.48</b>	<b>55,214.90</b>
<b>Total - Other Equity (a + b)</b>	<b>1,27,749.99</b>	<b>1,19,617.41</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

- a) **Securities Premium** - Securities Premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.
- b) **Capital Reserve** - the excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of consolidation.
- c) **General Reserve** - The Group had transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
- d) **Retained Earnings:** Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- e) **Equity investments through OCI:** This represents the cumulative gains or losses arising on investments in equity instruments/ units of fund designated at fair value through other comprehensive income.
- f) **Remeasurements of defined benefit liability / (asset) through OCI :** Remeasurements of defined benefit liability / (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income). Below is the movement of remeasurement of defined benefit liability /(assets) :

Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
At the beginning of the year	(99.31)	(77.00)
Movement during the year	12.57	(22.31)
<b>At the end of the year</b>	<b>(86.74)</b>	<b>(99.31)</b>

### Financial liabilities

#### Note 17 : Borrowings

Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Non-current Borrowings</b>		
<b>Term loans</b>		
Indian rupee loan from banks (secured)		
Project loans for SPVs (refer note i)	84,202.41	91,209.21
Equipment finance (refer note ii)	403.94	438.44
Less : current maturities	(7,936.67)	(5,033.75)
<b>Total (a)</b>	<b>76,669.68</b>	<b>86,613.90</b>
Indian rupee loan from financial institutions (secured)		
Project loans for SPVs (refer note i)	2,519.99	7,056.73
Equipment finance (refer note ii)	24.96	13.45
General purpose borrowing (refer note iii)	228.38	315.18
Less : current maturities	(215.80)	(168.10)
<b>Total (b)</b>	<b>2,557.53</b>	<b>7,217.26</b>
<b>Redeemable non-convertible debentures (secured) (refer note iv)</b>		
<b>Project loans for SPVs</b>		
From Others:		
- 45,000 (March 31, 2022: 45,000) Unlisted 8.75% (March 31, 2022 : 9.25% ) Non Convertible Debentures of face value of ₹ 92,099.91 each (March 31, 2022: ₹ 95,323.11 each)	4,144.50	4,289.54

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
<b>General purpose borrowing</b>		
From banks		
- 2,000 (March 31, 2022: 2,000) Listed 9.55% Non Convertible Debentures of face value of ₹ 1,000,000 each (March 31, 2022: 1,000,000 each)	2,000.00	2,000.00
- 2,000 (March 31, 2022: 2,000) Listed 9.55% Non Convertible Debentures of face value of ₹ 870,000 each (March 31, 2022: 1,000,000 each)	1,740.00	2,000.00
- 3,500 (March 31,2022 : 3,500) Listed 9.55% NCD of face value of ₹ 7,53,229.71 each (March 31,2022 : ₹ 940,000 each)	2,636.30	3,290.00
From others		
- 218,455 (March 31, 2022: 218,455) Unlisted 9.927% Non Convertible Debentures of face value of ₹ 100,000 each	21,845.50	21,845.50
	<b>32,366.30</b>	<b>33,425.04</b>
Less : Effective interest rate impact	(281.73)	(423.38)
Less : current maturities	(3,158.88)	(1,056.46)
<b>Total (c)</b>	<b>28,925.69</b>	<b>31,945.20</b>
Deferred Premium Obligation (unsecured) (refer note v)	25,463.25	22,626.65
<b>Total (d)</b>	<b>25,463.25</b>	<b>22,626.65</b>
Less: Unamortised transaction cost (e)	(635.13)	(756.69)
Interest on premium deferment (f)	9,495.97	7,100.85
<b>Total (g = a + b + c + d + e + f)</b>	<b>1,42,476.99</b>	<b>1,54,747.17</b>
<b>Current Borrowings</b>		
From Banks (Secured)		
- Overdraft (refer note vi)	7,310.05	3,366.37
- Cash credit and working capital demand loan	6,066.97	2,395.61
Unsecured loans (interest free)		
- Interest free loan from related parties (refer note 35)	13.67	13.67
<b>Current maturities of non-current borrowings</b>		
Indian rupee loan from banks	7,936.67	5,033.75
Indian rupee loan from financial institutions	215.80	168.10
Non-convertible debentures	3,158.88	1,056.46
Effective interest rate impact	(262.00)	(381.92)
Interest accrued but not due on borrowings (Secured)	479.83	453.46
<b>Total current borrowings</b>	<b>24,919.87</b>	<b>12,105.50</b>
Aggregate Secured loans	<b>1,31,944.14</b>	<b>1,36,658.04</b>
Aggregate Unsecured loans	<b>25,476.92</b>	<b>22,640.32</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### (i) Project loans for SPVs

₹ 86,722.40 million (March 31, 2022 - ₹ 98,265.94 million) pertains to term loans taken by SPV's (Special Purpose Vehicles) for Project financing.

#### Rate of interest

Indian rupee term loan from banks and financial institutions carries interest rates linked to MCLR plus spread, which varies from 7.00% to 9.65% p.a. (March 31, 2022 : carries interest rates linked to MCLR plus spread which varies from 8.35% to 9.60% p.a)

#### Nature of security

- Secured by first charge on the movable/immovable asset by way of mortgage/hypothecation; first charge on all intangible assets, present and future; assignment of all receivables; book debts and all rights and interest in project, both present and future, excluding the project assets of respective companies;
- Secured by first charge on the Escrow Account, Debt Service Reserve Account and any other reserves and other bank accounts of the respective SPV Companies.
- An irrevocable and unconditional corporate guarantee from IRB Infrastructure Developers Limited to meet shortfall (if any) between debt due and termination payments received from Concessing Authority in case of termination of Concession Agreement for any reason in case of Project SPV's.

#### Repayment terms

The Indian rupee term-loans are repayable in structured monthly instalments commencing after commercial operation date such that the total tenor does not exceed 18 years and repayable as per the structured monthly repayment schedule specified in common loan agreement with the Lenders.

Loan amounting to ₹ 12,568.74 million (March 31, 2022 : ₹ 7,934.32 million) has been availed during the current reporting year.

Loan amounting to ₹ 14,560.50 million ( March 31, 2022 : ₹ 15,511.41 million) has been repaid during the current reporting year

### (ii) Equipment finance

₹ 428.90 million (March 31,2022: ₹ 451.88 million) pertains to equipment finance, of which Indian rupee loan carries interest varying from 8.50% to 9.00% p.a. (March 31, 2022: 6.60% to 9.00% p.a.) Repayment term are usually 3 to 5 periods of monthly unstructured instalments. Equipment finance companies have a charge over the assets financed.

Loan amounting to ₹ 406.28 million (March 31, 2022 : ₹ 452.64 million) has been availed during the current reporting year

Loan amounting to ₹ 522.59 million (March 31, 2022 : ₹ 74.02 million) has been repaid during the current reporting year

### (iii) General purpose borrowings

#### a) Indian rupee term loan from Financial institutions

- Indian rupee term loan from financial institution of ₹ 228.38 million (March 31, 2022: 315.18 million) carries interest at 9.90% p.a. (March 31, 2022: 9.90% p.a.) and is secured by first and exclusive charge of hypothecation of 16 unencumbered wind mills of MRMPL, first charge on the escrow of all receivables arising out of windmill assets, pledge of equity shares of MRMPL and Corporate Guarantee of the Company. Repayment of loan in structured installment as per loan agreement.

### (iv) Non-convertible debentures (NCD)

#### a) Rate of interest and security

##### From banks:

- From Bank - Listed NCD 2,000 (March 31, 2022 : 2,000) of face value of ₹ 1,000,000 each:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

- Secured, redeemable, listed Non-convertible Debentures of ₹ 2,000.00 million (March 31, 2022 : 2,000.00 million) carries interest rates at 9.55% (March 31, 2022 : 9.55% ) and are secured by pledge of equity shares of a subsidiary, subservient charge on the current assets of the Company to the extent of 100% to 125% of the outstanding NCD amount.

- From Bank - Listed NCD 2,000 (March 31, 2022 : 2,000) of face value of ₹ 870,000 (March 31, 2022 : ₹ 1,000,000) each

- Secured, redeemable, listed Non-convertible Debentures of ₹ 2,000.00 million (March 31, 2022 : 2,000.00 million) carries interest rates at 9.55% (March 31, 2022 : 9.55% ) and are secured by pledge of units of a joint venture and subservient charge on the current asset of the Company to the extent of 125% of the outstanding NCD amount and escrow account.

- From Bank - Listed NCD 3,500 (March 31, 2022 : 3,500) of face value of ₹ 753,229.71 each :

- Secured, redeemable, listed Non-convertible Debentures of ₹ 2,636.30 million (March 31, 2022 : 3,290.00) carries interest rates at 9.55% (March 31, 2022 : 9.55% ) and are secured by pledge of units of joint-venture, subservient charge on the current assets of the Company to the extent of 175% of the outstanding NCD amount and escrow accounts.

- From Others - Unlisted NCD 45,000 of Original face value of ₹ 100,000 each :

45,000 Secured, redeemable, non-convertible debentures issued by IRBAV ('Issuer') of a face value of ₹ 92,099.91 each (March 31, 2022: ₹ 95,323.11) each on a private placement basis having rate of interest 8.75% (March 31, 2022: 9.25%) aggregating to ₹ 4,144.50 million (March 31, 2022: ₹ 4,289.54 million) redeemable in 154 instalments commencing from March 31, 2018 as per the schedule provided in Debenture Trust Deed.

The unlisted NCD 45,000 secured by :

- first mortgage and charge on all the Issuer's immovable properties as, both present and future
- first charge on all the Issuer's moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future
- first charge over all accounts of the Issuer, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), the Debt Service Reserve Account that may be opened in accordance with the Transaction Documents, and in all funds from time to time deposited therein (including the reserves) and the permitted investments or other securities representing all amounts credited to the Escrow Account and a first charge on the Receivables.
- Corporate Guarantee by the Company.
- From Others - Unlisted NCD 218,455 (March 31, 2022 : 218,455) of face value of ₹ 100,000 each

The Company had raised ₹ 21,845.50.00 million through issue of 218,455, 9.927% Unlisted, Secured, Redeemable Non-Convertible Debentures ('9.927% NCD') to India Toll Roads during the year ended March 31,2021. The tenure of 9.927% NCD is 7 years i.e. it will mature on February 2028 and carries interest rate of 9.927% per annum. Frequency of interest payment is semi-annually with bullet repayment of principal amount at the end of 7 years. The 9.927% NCD are secured by charge over certain cash flows from a subsidiary of the Company, pledge over a portion of holding of IRB in the subsidiary and 6 months Interest Service Reserve Account (ISRA).

The Company has an option to redeem the 9.927% NCD at any time prior to 19 February 2023, subject to applicable law, at a redemption price equal to 100% of principal amount and accrued interest upto redemption date plus applicable redemption premium if any. If the Company redeems the 9.927% NCD at anytime from 19 February 2023 to 18 February 2024, subject to applicable law, the redemption price is 102.75% of the principal amount and accrued interest upto redemption date plus applicable redemption premium, and if it is redeemed anytime on or after 19 February 2024, subject to applicable law, redemption price is 100% of principal amount and accrued interest upto redemption date plus applicable redemption premium. The 9.927% NCD will mature on the maturity date. The management does not intend to redeem the 9.927% NCD at anytime before the maturity date. The Determination agent had confirmed that there is no shortfall in funding as on March 31, 2023. Further, the Determination agent has confirmed that since neither the event of default or exercise of put option has triggered as on March 31, 2023, the redemption premium cannot be determined as on March 31, 2023 and hence no provision is created for the redemption premium in the financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

The Holders of the 9.927% NCD have a Put option right on one business day prior to 19 August 2024 to redeem the 9.927% NCD. The Put right redemption price will be determined by the Holder or any agent acting on its behalf which will be the price at which Holders of the 9.927% NCD do not suffer a funding shortfall as a result of having exercised Put option right. Also, the Holders of the 9.927% NCD have the option to redeem the NCD at any time before its maturity date in the case of occurrence of event of default as mentioned in the Debenture Trust Deed. The economic characteristics and risks of this put option right are closely related to the host debt instrument and hence both are inseparable, and therefore the embedded derivative is not separated for accounting purpose.

### b) Repayment schedule -

#### i) From Bank - Listed NCD

##### March 31, 2023

Listed NCD 6,376.30 of face value of ₹ 1,000,000 each :

- NCD amounting to ₹ 2,000.00 million is repayable in bullet payment on May 20, 2023.
- NCD amounting to ₹ 1,740.00 million is repayable in 9 structured quarterly instalments commencing from June 29, 2023
- NCD amounting to ₹ 2,636.30 million is repayable in 18 structured quarterly instalments commencing from June 30, 2023

##### March 31, 2022

Listed NCD 7,290 of face value of ₹ 1,000,000 each :

- NCD amounting to ₹ 2,000.00 million is repayable in bullet payment on May 20, 2023.
- NCD amounting to ₹ 2,000.00 million is repayable in 13 structured quarterly instalments commencing from June 29, 2022
- NCD amounting to ₹ 3,290.00 million is repayable in 22 structured quarterly instalments commencing from June 30, 2022

#### ii) From Others - Unlisted NCD 45,000 of Original face value of ₹ 100,000 each :

- redeemable in 154 instalments commencing from March 31, 2018 as per the schedule provided in Debenture Trust Deed.

#### iii) From Others - Unlisted NCD 218,455 of face value of ₹ 100,000 each

- NCD amounting to ₹ 21,845.50 million is repayable in bullet payment on August 16, 2024.

NCD amounting to ₹ Nil ( March 31, 2022 : ₹ 3,500.00 million) has been availed during the current reporting year

NCD amounting to ₹ 1,058.74 million ( March 31, 2022 : ₹ 16,210 million) has been repaid during the current reporting year

### (v) Deferred Premium Obligation

National Highways Authority of India has approved deferment of premium obligation which carries interest rate @ 2% above the RBI bank rate. Bank guarantee had been provided to NHAI. The repayment is in accordance with the cash surplus accruing to the SPV over the concession period (by FY 2035).

#### (vi) The bank overdraft is secured against fixed deposits which are repayable on demand, interest rate varies from 3.71% to 7.50% p.a. (March 31, 2022 : 3.71% to 4.10% p.a).

Short-term borrowings and Cash credit is secured by way of pari pasu charge on stock and debtors and pari pasu charge by way of hypothecation on machinery/ equipment/ other fixed assets of MRMPL. The interest rate for cash credit is from 9.45% p.a. to 9.50% p.a. (March 31, 2022: 9.50% p.a. to 10.50% p.a.)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 18 : Trade payables

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (refer note 39)	419.20	514.59
Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Related parties (refer note 35)	71.77	13.54
- Others	4,531.33	3,289.12
<b>Total</b>	<b>5,022.30</b>	<b>3,817.25</b>

#### Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 90 day terms.

Refer note 39 for ageing of MSME and ageing of creditors other than MSME.

Refer note 42 for explanations on the Group's credit risk management processes..

### Note 19 : Lease Liabilities

Particulars	₹ in Million			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Lease Liabilities (refer note 51)	39.58	45.49	34.92	85.06
<b>Total</b>	<b>39.58</b>	<b>45.49</b>	<b>34.92</b>	<b>85.06</b>

### Note 20 : Other financial liabilities

Particulars	₹ in Million			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Premium obligation / Negative grant to NHAI (refer note 47)	5,548.52	1,06,490.26	4,878.14	1,12,063.16
Obligation for construction/ concession fee	-	-	2,083.26	-
Directors sitting fees payable (refer note 35)	0.74	-	0.71	-
Unpaid dividend*	7.16	-	7.80	-
Book overdraft	-	-	56.92	-
Deposit	0.58	-	0.54	-
Retention money payable	2,393.88	-	3,366.85	0.83
Employee benefits payable	259.90	-	236.51	-
Capital creditors	15.67	-	63.94	-
Other payable	141.08	-	22.64	-
<b>Total</b>	<b>8,367.53</b>	<b>1,06,490.26</b>	<b>10,717.31</b>	<b>1,12,063.99</b>

\* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2023 (March 31, 2022: Nil).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 21 : Provisions

Particulars	(₹ in Million)			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Provision for employee benefits				
- Leave encashment	34.39	-	14.57	-
- Gratuity (refer note 34)	-	27.22	61.23	238.39
Others				
- Resurfacing expenses	-	510.30	-	282.04
<b>Total</b>	<b>34.39</b>	<b>537.52</b>	<b>75.80</b>	<b>520.43</b>

The movement in provision for resurfacing expenses is as follows:

#### Movement for Resurfacing expenses

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Opening balance	282.04	224.30
Obligation on new toll projects	228.26	159.28
Utilised / reversed during the year	-	(101.54)
<b>Closing balance</b>	<b>510.30</b>	<b>282.04</b>

The above provisions are based on current best estimation of expenses that may be required to fulfill the resurfacing obligation as per the service concession agreement with regulatory authorities. It is expected that significant portion of the costs will be incurred over the period. The actual expense incurred may vary from the above. No reimbursements are expected from any sources against the above obligation.

### Note 22 : Other current liabilities

Particulars	(₹ in Million)			
	March 31, 2023		March 31, 2022	
	Current	Non-current	Current	Non-current
Duties and taxes payable	1,076.44	-	497.85	-
Stamp duty payable (refer note 33)	275.40	-	275.40	-
Advance from customers				
- Related parties (refer note 35)	1,292.06	-	502.89	-
- Others	6.61	3.88	9.73	8.12
Deferred Revenue	-	-	99.91	1,390.55
Mobilisation advance				
- Related parties (refer note 35)	33.68	-	435.80	-
- Others	1,953.26	-	3.22	1,566.96
<b>Total</b>	<b>4,637.45</b>	<b>3.88</b>	<b>1,824.80</b>	<b>2,965.63</b>

### Note 23 : Current tax liabilities (net)

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Provision for current tax (net of advance tax) of ₹ 2,393.36 million (March 31, 2022: ₹1,344.42 million)	23.69	198.22
<b>Total</b>	<b>23.69</b>	<b>198.22</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 24 : Revenue from operations

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Contract revenue (refer note 35 and 50)	42,717.65	39,304.91
Income arising out of toll collection (net) (refer note 47)	20,432.67	17,493.05
Sale of electricity	96.12	93.16
Other operating revenue	769.97	1,145.88
<b>Total</b>	<b>64,016.41</b>	<b>58,037.00</b>

### Note 25 : Other income

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Interest income on		
- Bank deposits	817.70	627.90
- Investment in IRB InvIT Fund	500.61	491.34
- Others	670.58	1,772.45
- Unwinding of loan	48.71	48.71
Gain on sale of property, plant and equipment (net)	125.19	11.52
Profit on sale of current investments (net)	124.74	73.73
Gain on fair value measurement of other receivables (Refer note 41)	560.53	2,161.31
Fair value gain on mutual funds	45.83	84.11
Other non operating income	122.84	246.40
<b>Total</b>	<b>3,016.73</b>	<b>5,517.47</b>

### Note 26 : Road work and site expenses

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Contract expenses	16,170.01	14,523.23
Stores, spares and tools consumed	205.80	164.83
Site and other direct expenses	2,396.51	2,445.11
Sub-contracting / Security expenses	411.69	405.83
Technical consultancy and supervision charges	1,387.25	1,340.37
Royalty charges paid	28.57	39.02
Hire charges	167.47	165.45
<b>Total</b>	<b>20,767.30</b>	<b>19,083.84</b>

### Note 27 : Employee benefits expenses

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	3,070.89	2,549.25
Contribution to provident and other funds (refer note 34)	129.49	165.72
Gratuity expenses (refer note 34)	151.43	33.14
Staff welfare expenses	109.81	125.10
<b>Total</b>	<b>3,461.62</b>	<b>2,873.21</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 28 : Finance costs

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense		
- Banks and financial institutions	7,611.11	9,183.63
- Debentures	3,442.43	5,760.46
- Premium deferment	2,395.12	1,610.46
- Overdraft/cash credit from banks	756.51	791.37
- Others	138.92	36.47
- Unwinding of interest accrued on deferred payment of sub concession fee	42.24	649.12
- Unwinding of retention money	35.94	11.05
- Interest on lease liabilities (refer note 51)	10.62	12.25
Other borrowing costs	713.37	851.42
<b>Total</b>	<b>15,146.26</b>	<b>18,906.23</b>

### Note 29 : Depreciation and amortisation expenses

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation on property, plant and equipment (refer note 4)	522.08	284.68
Depreciation on right to use asset (refer note 51)	39.70	31.73
Amortisation on intangible assets (refer note 4)	7,759.42	6,511.29
<b>Total</b>	<b>8,321.20</b>	<b>6,827.70</b>

### Note 30 : Other expenses

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Power and fuel	120.95	166.41
Rent	40.39	32.20
Rates and taxes	364.97	786.80
Water charges	7.08	7.34
Insurance	66.43	32.55
Repairs and maintenance		
- Plant and Machinery	205.63	182.52
Advertisement expenses	69.77	56.90
Travelling and conveyance	234.54	270.27
Vehicle expenses	54.87	51.93
Communication cost	28.71	29.79
Membership and subscription fees	2.53	1.63
Printing and stationery	14.16	13.35
Director sitting fees (refer note 35)	7.05	6.09
Corporate social responsibilities expenditure (refer note 48)	164.12	201.32
Legal and professional expenses	1,319.25	873.46
Payment to auditors	17.28	22.25
Donations (refer note 46)	411.70	434.77

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
Security expenses	10.66	17.55
Loss/(Gain) on sale of investment	18.76	0.05
Bank charges	65.85	34.15
Allowance for bad and doubtful receivable	-	64.10
Miscellaneous expenses	84.90	118.34
<b>Total</b>	<b>3,309.60</b>	<b>3,403.77</b>
<b>Payment to statutory auditor and other component auditors</b>		
As auditor		
Audit fees	7.85	11.98
Tax fees *	-*	-*
Limited review	7.41	7.52
In other capacity		
Other services	1.03	2.50
Reimbursement of expenses	0.99	0.25
	17.28	22.25

\* value below ₹ 500/-.

### Note 31 : Income tax

The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022 are:

Particulars	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>a. Statement of profit and loss</b>		
<b>Income tax expense</b>		
Current tax	2,514.98	1,819.20
Adjustment of tax relating to earlier periods	(14.80)	(37.23)
<b>Current income tax expense</b>	<b>2,500.18</b>	<b>1,781.97</b>
<b>Deferred tax:</b>		
Deferred tax relating to origination and reversal of temporary differences	1,069.22	100.38
	<b>3,569.40</b>	<b>1,882.35</b>
<b>b. OCI Section</b>		
Deferred tax related to items recognised in OCI during the year	(4.26)	7.21
	<b>(4.26)</b>	<b>7.21</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Reconciliation of tax expenses and the accounting of profit multiplied by Indian Domestic tax rate for March 31, 2023 and March 31, 2022 are:

Particulars	₹ in Million	
	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	10,769.51	5,496.32
Statutory tax rate	25.17%	25.17%
Expected income tax at India's statutory rate	2,710.47	1,383.31
Effect of expenses that are not deductible in determining taxable profit	144.92	160.09
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	-	357.92
Share of loss of joint ventures	269.32	569.34
Difference in tax rate on Minimum Alternate Tax compared to normal tax rates	44.53	6.33
Difference in Depreciation/ amortisation and other differences		
Others	414.96	(557.42)
Adjustments recognised in the current year in relation to the current tax of prior years	(14.80)	(37.23)
<b>Income tax expense reported in the statement of profit and loss</b>	<b>3,569.40</b>	<b>1,882.35</b>
<b>Effective tax rate</b>	<b>33.14%</b>	<b>34.25%</b>

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

No deferred tax assets have been recognised on the below due to uncertainty of future long term capital gains and certainty of taxable business income :

### March 31, 2023

Particulars	₹ in Million	
	Amount of Loss	Deferred tax assets not recognised
Mark to market Losses on IRB Invit Fund (loss without expiration date)	1,520.63	177.12
Carried forward unabsorbed depreciation (loss without expiration date)	14,818.31	3,729.77
Indexation benefit on investment of subsidiaries and joint ventures (loss without expiration date)	2,431.85	486.37
Long -term capital loss of sale of subsidiaries (loss with expiration date)	8,245.15	1,886.49
<b>Total</b>	<b>27,015.94</b>	<b>6,279.75</b>

### March 31, 2022

Particulars	₹ in Million	
	Amount of Loss	Deferred tax assets not recognised
Mark to market Losses on IRB Invit Fund (loss without expiration date)	3,203.23	373.11
Carried forward unabsorbed depreciation (loss without expiration date)	12,483.27	3,142.04
Indexation benefit on investment of subsidiaries and joint ventures (loss without expiration date)	2,156.33	431.27
Long -term capital loss of sale of subsidiaries (loss with expiration date)	8,531.48	1,952.00
<b>Total</b>	<b>26,374.31</b>	<b>5,898.42</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 32 : Earnings per share (EPS)

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

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
Profit attributable to equity holders for basic earnings ( ₹ million)	7,200.11	3,613.97
Weighted average number of equity shares	6,03,90,00,000	4,15,77,28,767
Face value per share (Amount in Re.) (refer note 15 for shares split)	1.00	1.00
Basic and Diluted earnings per share	1.19	0.87

Note : The Company does not have any potentially dilutive equity shares and therefore basic and dilutive EPS are the same.

### Note 33 : Commitment and Contingencies

#### a. Capital commitments and other commitments

The Group has commitments related to further investment as sponsor's contribution (share capital, subordinated debt and non-convertible debentures) to the projects in the following joint venture :

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
IRB Infrastructure Trust (refer note i below)	-	1,272.35
Palsit Dankuni Tollway Private Limited *	1,235.99	-
Meerut Budaun Expressway Limited*	6,705.03	-
<b>Total</b>	<b>7,941.02</b>	<b>1,272.35</b>

i) During the year ended 31 March 2020, the Group had transferred its nine subsidiaries to IRB Infrastructure Trust (Trust). However, based on the sponsor support agreement entered by the group with the lenders of the subsidiaries, the group continues to be liable for the balance equity commitment to the extent of 51%.

ii) The Group has entered into agreements with its joint ventures and IRB InvIT Fund to provide toll operations and maintenance services.

\*Refer note 53

#### b. Contingent liabilities

##### Contingent liabilities not provided for

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
Guarantees and counter guarantees on behalf of joint ventures given by the Company (refer note 35)	2,921.80	-
Bank guarantees towards bids/tenders/authorities/etc	2,436.55	1,484.75
<b>Total</b>	<b>5,358.35</b>	<b>1,484.75</b>

i) The Group does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.

ii) The Group's pending litigations comprise of claims against the Group primarily by the commuters and regulators. The Group has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. The Group has not provided for or disclosed contingent liabilities for matters considered as remote for pending litigations/public litigations(PIL)/claims wherein the management is confident, based on the internal legal assessment and advice of its lawyers that these litigations would not result into any liabilities. The Group does not expect the outcome of these proceedings to have a material adverse effect on the financial statements.

iii) The Group has provided corporate guarantee to the lenders of the joint ventures companies to make good the shortfall, if any, between the secured obligations of the joint ventures companies and the termination payment received from the Authority in the event of termination of the Concession Agreement. As on 31 March 2023, since the termination clause has neither triggered nor expected to trigger in the foreseeable future for any of the joint venture companies, the said liability is considered as remote.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

iv) The Group has no material tax litigations in the current and previous year.

v) Provident Fund liability :

The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The Company has started complying with this prospectively from the month of March 2019. In respect of the past period there are significant implementation and interpretative challenges that the management is facing and is awaiting for clarity to emerge in this regard, pending which, this matter has been disclosed under the Contingent liability in the consolidated financial statements. The impact of the same is not ascertainable.

vi) With respect to issuance of Non-convertible Debentures issued to India Toll Roads, the Group has an obligation to pay redemption premium to Initial investor in the event of exercise of put option right. The redemption premium payable is currently not determinable since the event is not triggered. Refer note 17(iv)(a)(v).

### c. Litigation stamp duty matter

Mhaiskar Infrastructure Private Limited (MIPL), a subsidiary of the company, had vide order dated September 9, 2005 received a demand from the Government of Maharashtra of ₹ 275.40 million in respect of stamp duty on the agreement dated August 4, 2004 entered into between Maharashtra State Road Developers Corporation Limited (MSRDC), MIPL and the Government of Maharashtra for right to collect tolls/fees, the cost of which has been provided and capitalised during the earlier years.

MIPL had vide order dated March 12, 2008 received demand from Chief Controlling Revenue Authority Maharashtra State, Pune of ₹ 49.57 million in respect of penalty on said stamp duty. MIPL has filed a Writ Petition No.3000 of 2008 in the Bombay High Court for quashing the said order on the grounds that the said order is in violation of the provisions of Bombay Motor Vehicles Act and also in violation of the concession agreement between the Government of India and MSRDC.

The Writ Petition came up for admission on April 28, 2008 and the Hon'ble Court was pleased to admit the said Writ Petition and has directed the Petitioner to deposit 50% of the demand with the Collector of Stamps (Enforcement I) within eight weeks from the said Order dated April 28, 2008 and has directed the Registrar to seek direction from the Chief Justice of Bombay High Court for deciding as to whether the matter should be referred to a larger bench. Considering the facts and circumstances of the case and law, MIPL has made a provision of ₹ 275.40 million in books of accounts and paid 50% of the amount ₹ 137.70 million under protest on June 19, 2008. Further, based on the legal opinion obtained by MIPL, the management is of the view that the possibility of penalty demanded by the authorities, becoming a liability, is remote.

### Note 34 : Gratuity and other post employment benefit plans

#### (a) Defined contribution plan

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

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
Contribution in defined contribution plan - provident and other funds	129.49	165.72

#### (b) Defined benefit plan

During the current year, the Group has moved from unfunded gratuity plan to a funded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972. The Gratuity is funded with Life Insurance Corporation of India (LIC). The group contributes in the fund every year as premium on the basis of demand raised by LIC. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Group contributes Gratuity liabilities to the Employees Group Gratuity Scheme (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the LIC as permitted by Indian law.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
<b>Statement of profit and loss</b>		
<b>Net employee benefit expense recognised in the employee cost</b>		
Current service cost	24.46	19.80
Past service cost	109.66	-
Interest cost on benefit obligation	17.31	13.34
<b>Net benefit expense</b>	<b>151.43</b>	<b>33.14</b>
<b>Amount recorded in Other Comprehensive Income (OCI)</b>		
<b>Opening amount recognised in OCI outside statement of profit and loss</b>	103.32	73.79
<b>Remeasurement during the year due to :</b>		
Actuarial loss / (gain) arising from change in financial assumptions	(18.89)	11.95
Actuarial loss / (gain) arising from change in demographic assumptions	12.24	15.01
Actuarial loss / (gain) arising on account of experience changes	-	2.57
Actual return on plan assets less interest on plan assets	(10.18)	-
<b>Amount recognised in OCI outside statement of profit and loss</b>	<b>(16.83)</b>	<b>29.53</b>
<b>Closing amount recognised in OCI outside profit and loss statement</b>	<b>86.49</b>	<b>103.32</b>
<b>Changes in the present value of the defined benefit obligation are as follows:</b>		
Opening defined benefit liability	299.62	261.71
Current service cost	24.46	19.80
Past service cost	109.66	-
Interest cost on benefit obligation	17.31	13.34
Actual benefits paid	(14.58)	(11.67)
Other adjustments	-	(13.09)
<b>Remeasurement during the year due to :</b>		
Actuarial loss / (gain) arising from change in financial assumptions	(18.89)	11.95
Actuarial loss / (gain) arising from change in demographic assumptions	12.24	15.01
Actuarial loss / (gain) arising on account of experience changes	-	2.57
<b>Closing defined benefit liability</b>	<b>429.82</b>	<b>299.62</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Movement of plan assets</b>		
Opening fair value of plan assets	-	-
Employer contributions	407.12	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	10.18	-
Benefits paid	(14.58)	-
<b>Closing fair value of plan assets</b>	<b>402.72</b>	<b>-</b>
<b>Balance sheet</b>		
<b>The total amount of net liability / asset to be recorded in the balance sheet of the Company:</b>		
Defined benefit obligation		
Present value of funded defined benefit obligation	429.82	-
Fair value of plan assets	402.72	-
Net funded obligation	27.10	-
Present value of unfunded defined benefit obligation	-	299.62
<b>Net defined benefit liability / (assets) recognised in balance sheet</b>	<b>27.10</b>	<b>299.62</b>

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Net liability/ (asset) is bifurcated as follows :</b>		
Current	-	61.23
Non-current	27.22	238.39
Balance with Employees Group Gratuity Scheme (shown under other financial assets)	(0.12)	-
<b>Net liability</b>	<b>27.10</b>	<b>299.62</b>

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

	March 31, 2023	March 31, 2022
Discount rate	7.30%-7.50%	6.35%
Expected rate of return on plan assets (p.a.)	7.01%	N.A.
Salary escalation	10.00%	10.00%
Mortality pre-retirement	Indian Assured Lives Mortality (2012-14) Ult Table	Indian Assured Lives Mortality (2012-14) Ult Table

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

A quantitative analysis for significant assumption is as shown below:

Gratuity plan:

	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Assumptions -Discount rate</b>		
Sensitivity Level	0.50%	0.50%
Impact of Increase in 50 bps on defined benefit obligation	418.01	8.62
Impact of Decrease in 50 bps on defined benefit obligation	442.22	9.11
<b>Assumptions - Salary Escalation rate</b>		
Sensitivity Level	0.50%	0.50%
Impact of Increase in 50 bps on defined benefit obligation	441.86	7.35
Impact of Decrease in 50 bps on defined benefit obligation	418.23	7.14

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

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

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Within the next 12 months (next annual reporting period)	74.57	61.36
Between 2 and 5 years	208.48	148.86
Between 6 and 10 years	201.85	102.00
Beyond 10 years	218.42	148.06
<b>Total expected payments</b>	<b>703.32</b>	<b>460.28</b>
The weighted average duration of the defined benefit plan obligation at the end of the reporting period	5.63 years	8.86 years

The expected contribution payable to the plan next year is therefore ₹ 21.58 million (31 March 2022 : Nil).

Compensated absences during the year ended 31 March 2023 is ₹ 25.75 million and for the year ended 31 March 2022 is ₹ 4.59 million is charged to the Consolidated Statement of Profit and loss.

### Note 35 : Related Party Disclosure

#### I. Names of Related Parties and description of relationship :

Description of relationship	Names of related parties
a) <b>Joint ventures/ Entities controlled by Joint ventures</b> (Only with whom there have been transactions during the period or there was balance outstanding at the period end)	MMK Toll Road Private Limited IRB Infrastructure Trust Meerut Budaun Expressway Limited (w.e.f October 15, 2022) <b>Subsidiaries of the Joint Venture - IRB Infrastructure Trust</b> IRB Westcoast Tollway Limited Solapur Yedeshi Tollway Limited Yedeshi Aurangabad Tollway Limited IRB Hapur Moradabad Tollway Limited AE Tollway Limited Udaipur Tollway Limited CG Tollway Limited Kishangarh Gulabpura Tollway Limited Kaithal Tollway Limited Palsit Dankuni Tollway Private Limited (w.e.f April 2, 2022)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Description of relationship	Names of related parties
<b>b) Enterprises owned or significantly influenced by key management personnel or their relatives (Enterprises)</b> (Only with whom there have been transactions during the period or there was balance outstanding at the period end)	IRB Holding Private Limited (Formerly known as Mhaiskar Ventures Private Limited)
	V. D. Mhaiskar (HUF)
	VCR Toll Services Private Limited
	SDM Ventures Private Limited
	DSM Projects Private Limited
	Loch Fynne Ltd
	Ideal Toll and Infrastructure Private Limited
	Cintra Servicios de Infraestructuras SA
	Ciinfra India Private Ltd
	IRB Infrastructure Developers Limited Employees Group Gratuity Scheme (w.e.f November 1, 2022)
	Modern Road Makers Private Limited Employees Group Gratuity Scheme (w.e.f November 1, 2022)
	MRM Mining Private Limited Employees Group Gratuity Scheme (w.e.f November 1, 2022)
	IRB Sindhudurg Airport Private Limited Employees Group Gratuity Scheme (w.e.f November 1, 2022)
	IRB Infrastructure Private Limited Employees Group Gratuity Scheme (w.e.f November 1, 2022)
	IRB Charitable Foundation
<b>c) Key Management Personnel</b> (Only with whom there have been transactions during the period or there was balance outstanding at the period end)	Mr. Virendra D. Mhaiskar, Chairman and Managing Director
	Mrs. Deepali V. Mhaiskar, Whole Time Director
	Mr. Mukeshlal Gupta, Joint Managing Director (upto December 29, 2021)
	Mr. Sudhir Rao Hoshing, Joint Managing Director (upto December 29, 2021) and Chief Executive Officer - Execution
	Mr. Jose Angel Tamariz Martel Goncer, Additional Non-Executive Director (w.e.f December 29, 2021)
	Mr. Carlos Ricardo Ugarte Cruz Coke, Additional Non-Executive Director (w.e.f December 29, 2021 and till August 5, 2022)
	Mr. Ravindra Dhariwal, Additional Non-Executive Director (w.e.f August 5, 2022)
	Mr. Chandrashekhar S. Kaptan, Independent Director
	Mr. Sunil H. Talati, Independent Director
	Mr. Sandeep Shah, Independent Director
	Ms. Priti Savla, Independent Director (w.e.f. February 10, 2022)
	Mrs. Heena Raja, Independent Director (upto February 10, 2022)
Mr. Tushar Kawedia, Group Chief Financial Officer and Chief Financial Officer	
Mr. Mehul N. Patel, Company Secretary	
<b>d) Relatives of Key Management Personnel</b> (Only with whom there have been transaction during the period / there was balance outstanding at the period end)	Late Dattatraya P. Mhaiskar (Father of Mr. Virendra D. Mhaiskar) (upto January 3, 2018)
	Mrs. Sudha Dattatraya Mhaiskar (Mother of Mr. Virendra D. Mhaiskar)
<b>e) Entities having significant influence</b> (Only with whom there have been transaction during the period / there was balance outstanding at the period end)	Cintra INR Investments BV (subsidiary of Ferrovial SA) (w.e.f. 29 December 2021)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### II. Related Party Transactions

Sr. No.	Particulars	(₹ in Million)					
		Enterprises owned or significantly influenced by key management personnel or their relatives		Joint Ventures / Entities controlled by Joint Ventures		Key Management Personnel / Relatives of Key Management Personnel	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>1</b>	<b>Dividend paid</b>	<b>437.43</b>	-	-	-	<b>8.47</b>	-
	Virendra D. Mhaiskar	-	-	-	-	6.33	-
	Sudha D. Mhaiskar	-	-	-	-	0.12	-
	Deepali V. Mhaiskar	-	-	-	-	2.02	-
	SDM Ventures Private Limited	0.23	-	-	-	-	-
	DSM Projects Private Limited	0.23	-	-	-	-	-
	Mhaiskar Ventures Private Limited	249.27	-	-	-	-	-
	Cintra INR Investments B.V.	187.70	-	-	-	-	-
<b>2</b>	<b>Director sitting fees</b>	-	-	-	-	<b>2.70</b>	<b>3.41</b>
	Virendra D. Mhaiskar	-	-	-	-	0.09	0.09
	Deepali V. Mhaiskar	-	-	-	-	0.04	0.04
	Sudhir Rao Hoshing	-	-	-	-	0.09	0.11
	Sunil H Talati	-	-	-	-	0.47	0.69
	Chandrashekhar S. Kaptan	-	-	-	-	0.65	0.94
	Sandeep Shah	-	-	-	-	0.85	1.18
	Tushar Kawedia	-	-	-	-	0.04	0.03
	Heena Raja	-	-	-	-	-	0.26
	Priti Savla	-	-	-	-	0.47	0.07
<b>3</b>	<b>Remuneration paid</b>	-	-	-	-	<b>400.04</b>	<b>255.57</b>
	Virendra D. Mhaiskar	-	-	-	-	167.20	82.47
	Deepali V. Mhaiskar	-	-	-	-	105.10	60.84
	Sudhir Rao Hoshing	-	-	-	-	84.37	54.72
	Mukeshlal Gupta	-	-	-	-	-	22.24
	Mehul N. Patel	-	-	-	-	24.22	17.55
	Tushar Kawedia	-	-	-	-	19.15	17.75
<b>4</b>	<b>Rent paid</b>	-	-	-	-	<b>3.18</b>	<b>3.09</b>
	Virendra D Mhaiskar	-	-	-	-	2.16	2.16
	Deepali V Mhaiskar	-	-	-	-	1.02	0.93
<b>5</b>	<b>Donation given</b>	<b>8.89</b>	<b>3.82</b>	-	-	-	-
	IRB Charitable Foundation	8.89	3.82	-	-	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in Million)

Sr. No.	Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Joint Ventures / Entities controlled by Joint Ventures		Key Management Personnel / Relatives of Key Management Personnel	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>6</b>	<b>Contract revenue</b>	-	-	<b>18,083.03</b>	<b>17,719.53</b>	-	-
	IRB Westcoast Tollway Limited	-	-	305.28	2,364.16	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	-	1.56	-	-
	Solapur Yedeshi Tollway Limited	-	-	2.24	29.88	-	-
	AE Tollway Limited	-	-	-	20.73	-	-
	Udaipur Tollway Limited	-	-	120.59	2,200.79	-	-
	CG Tollway Limited	-	-	194.04	2,386.04	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	520.09	2,955.96	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	912.20	7,760.40	-	-
	Palsit Dankuni Tollway Private Limited	-	-	8,737.33	-	-	-
	Meerut Budaun Expressway Limited	-	-	7,291.26	-	-	-
<b>7</b>	<b>Operation and maintenance revenue</b>	-	-	<b>2,364.01</b>	<b>1,737.77</b>	-	-
	IRB Westcoast Tollway Limited	-	-	584.73	211.25	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	210.00	199.73	-	-
	Solapur Yedeshi Tollway Limited	-	-	151.70	144.29	-	-
	Kaithal Tollway Limited	-	-	173.12	164.55	-	-
	AE Tollway Limited	-	-	319.64	303.93	-	-
	Udaipur Tollway Limited	-	-	180.27	172.77	-	-
	CG Tollway Limited	-	-	291.07	276.79	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	202.59	192.59	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	75.00	71.87	-	-
	Palsit Dankuni Tollway Private Limited	-	-	175.89	-	-	-
<b>8</b>	<b>Trading sales</b>	-	-	<b>616.05</b>	<b>1,555.19</b>	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	588.05	1,555.19	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	28.00	-	-	-
<b>9</b>	<b>Expenses incurred on behalf of (reimbursement)</b>	-	-	-	<b>1.77</b>	-	-
	IRB Infrastructure Trust	-	-	-	1.77	-	-
<b>10</b>	<b>Interest unwinding on loan given</b>	-	-	<b>48.71</b>	<b>48.71</b>	-	-
	IRB Infrastructure Trust	-	-	48.71	48.71	-	-
<b>11</b>	<b>Investment - Units allotment</b>	-	-	<b>1,236.75</b>	<b>1,946.33</b>	-	-
	IRB Infrastructure Trust	-	-	1,236.75	1,946.33	-	-
<b>12</b>	<b>Guarantees given on transfer of investments</b>	-	-	<b>1,512.00</b>	-	-	-
	Meerut Budaun Expressway Limited	-	-	1,512.00	-	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in Million)

Sr. No.	Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Joint Ventures / Entities controlled by Joint Ventures		Key Management Personnel / Relatives of Key Management Personnel	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>13</b>	<b>Guarantees cancelled</b>	-	-	<b>126.00</b>	<b>460.00</b>	-	-
	AE Tollway Limited	-	-	-	460.00	-	-
	Meerut Budaun Expressway Limited	-	-	126.00	-	-	-
<b>14</b>	<b>Short term loan given/Repaid</b>	-	-	<b>2,352.78</b>	<b>4,759.00</b>	-	<b>28.82</b>
	IRB Infrastructure Trust	-	-	1,532.48	4,759.00	-	-
	Sudhir Rao Hoshing	-	-	-	-	-	28.82
	Meerut Budaun Expressway Limited	-	-	820.30	-	-	-
<b>15</b>	<b>General advance received</b>	-	-	<b>5,695.18</b>	<b>3,066.89</b>	-	-
	AE Tollway Limited	-	-	-	96.78	-	-
	Udaipur Tollway Limited	-	-	-	239.67	-	-
	CG Tollway Limited	-	-	-	154.58	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	-	2,543.52	-	-
	Solapur Yedeshi Tollway Limited	-	-	-	32.34	-	-
	Palsit Dankuni Tollway Private Limited	-	-	3,824.42	-	-	-
	Meerut Budaun Expressway Limited	-	-	1,870.76	-	-	-
<b>16</b>	<b>Unsecured loans taken/repayment received</b>	-	-	<b>328.51</b>	<b>4,828.83</b>	<b>23.22</b>	<b>30.30</b>
	IRB Infrastructure Trust	-	-	267.50	4,828.83	-	-
	Sudhir Rao Hoshing	-	-	-	-	23.22	30.30
	Meerut Budaun Expressway Limited	-	-	61.01	-	-	-
<b>17</b>	<b>Retention and held-up amount during the year</b>	-	-	<b>150.69</b>	<b>116.89</b>	-	-
	IRB Westcoast Tollway Limited	-	-	15.00	34.64	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	-	0.03	-	-
	CG Tollway Limited	-	-	23.51	32.10	-	-
	Udaipur Tollway Limited	-	-	-	1.21	-	-
	AE Tollway Limited	-	-	-	2.76	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	4.24	4.40	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	107.56	41.77	-	-
	Solapur Yedeshi Tollway Limited	-	-	0.38	-	-	-
<b>18</b>	<b>Retention and held-up amount release during the year</b>	-	-	<b>132.74</b>	<b>50.74</b>	-	-
	AE Tollway Limited	-	-	7.29	-	-	-
	IRB Westcoast Tollway Limited	-	-	33.27	15.23	-	-
	Kaithal Tollway Limited	-	-	2.55	-	-	-
	CG Tollway Limited	-	-	-	35.50	-	-
	Solapur Yedeshi Tollway Limited	-	-	2.18	-	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	84.89	-	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	2.56	-	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in Million)

Sr. No.	Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Joint Ventures / Entities controlled by Joint Ventures		Key Management Personnel / Relatives of Key Management Personnel	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>19</b>	<b>Fair value gain on measurement of other receivable</b>	-	-	<b>560.53</b>	<b>2,161.32</b>	-	-
	IRB Infrastructure Trust	-	-	560.53	2,161.32	-	-
<b>20</b>	<b>Contract Expense</b>	-	-	<b>0.07</b>	-	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	0.07	-	-	-
<b>21</b>	<b>Professional Fees</b>	<b>353.50</b>	-	-	-	-	-
	Cintra Servicios de Infraestructuras SA	107.31	-	-	-	-	-
	Ciinra India Private Ltd	246.19	-	-	-	-	-
<b>22</b>	<b>Non-convertible debentures acquired</b>	-	-	<b>707.20</b>	-	-	-
	Meerut Budaun Expressway Limited	-	-	707.20	-	-	-
<b>23</b>	<b>Share application money given and allotment</b>	-	-	<b>2,719.08</b>	-	-	-
	Meerut Budaun Expressway Limited	-	-	2,719.08	-	-	-
<b>24</b>	<b>Post-employment benefit plan (Gratuity)</b>	<b>399.81</b>	-	-	-	-	-
	Modern Road Makers Private Limited Employees Group Gratuity Scheme	264.41	-	-	-	-	-
	IRB Infrastructure Developers Limited Employees Group Gratuity Scheme	120.37	-	-	-	-	-
	MRM Mining Private Limited Employees Group Gratuity Scheme	10.82	-	-	-	-	-
	IRB Sindhudurg Airport Private Limited Employees Group Gratuity Scheme	1.14	-	-	-	-	-
	IRB Infrastructure Private Limited Employees Group Gratuity Scheme	3.07	-	-	-	-	-
<b>25</b>	<b>Return on plan asset</b>	<b>10.18</b>	-	-	-	-	-
	Modern Road Makers Private Limited Employees Group Gratuity Scheme	6.71	-	-	-	-	-
	IRB Infrastructure Developers Limited Employees Group Gratuity Scheme	3.09	-	-	-	-	-
	MRM Mining Private Limited Employees Group Gratuity Scheme	0.27	-	-	-	-	-
	IRB Sindhudurg Airport Private Limited Employees Group Gratuity Scheme	0.03	-	-	-	-	-
	IRB Infrastructure Private Limited Employees Group Gratuity Scheme	0.08	-	-	-	-	-
<b>26</b>	<b>Sale of Property, Plant &amp; Equipment</b>	-	-	-	-	<b>13.00</b>	-
	Mr. Mehul N. Patel	-	-	-	-	13.00	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### III. Related Party Balances

(₹ in Million)

Sr. No.	Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Joint Ventures/ Entities controlled by Joint Ventures		Key Management Personnel / Relatives of Key Management Personnel	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>1</b>	<b>Loan taken</b>	<b>13.67</b>	<b>13.67</b>	-	-	-	-
	VCR Toll Services Private Limited	13.67	13.67	-	-	-	-
<b>2</b>	<b>Other payables</b>	-	-	-	-	<b>30.07</b>	<b>5.10</b>
	Virendra D. Mhaiskar	-	-	-	-	17.43	2.28
	Deepali V. Mhaiskar	-	-	-	-	10.68	1.84
	Sudhir Rao Hoshing	-	-	-	-	1.56	0.39
	Mehul N. Patel	-	-	-	-	0.38	0.29
	Tushar Kawedia	-	-	-	-	0.02	0.29
<b>3</b>	<b>Other receivable</b>	-	-	<b>1,173.03</b>	<b>197.56</b>	-	-
	IRB Westcoast Tollway Limited	-	-	23.51	0.16	-	-
	Kaithal Tollway Limited	-	-	8.64	1.72	-	-
	AE Tollway Limited	-	-	24.02	31.25	-	-
	Udaipur Tollway Limited	-	-	22.17	20.60	-	-
	MMK Toll Road Private Limited	-	-	-	2.37	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	17.45	14.45	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	133.62	125.24	-	-
	Solapur Yedeshi Tollway Limited	-	-	6.06	-	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	19.87	-	-	-
	CG Tollway Limited	-	-	11.63	-	-	-
	Palsit Dankuni Tollway Private Limited	-	-	262.85	-	-	-
	Meerut Budaun Expressway Limited	-	-	641.46	-	-	-
	IRB Infrastructure Trust	-	-	1.77	1.77	-	-
<b>4</b>	<b>Deferred consideration receivable towards sale of subsidiaries</b>	-	-	<b>35,776.26</b>	<b>35,167.02</b>	-	-
	IRB Infrastructure Trust	-	-	35,776.26	35,167.02	-	-
<b>5</b>	<b>Director sitting fees payable</b>	-	-	-	-	<b>0.11</b>	<b>0.36</b>
	Virendra D. Mhaiskar	-	-	-	-	0.02	0.01
	Deepali V. Mhaiskar	-	-	-	-	0.01	0.00
	Sudhir Rao Hoshing	-	-	-	-	0.01	0.03
	Chandrashekhar S. Kaptan	-	-	-	-	-	0.06
	Sandeep Shah	-	-	-	-	0.06	0.12
	Priti Paras Savla	-	-	-	-	-	0.06
	Tushar Kawedia	-	-	-	-	0.01	0.02
	Sunil H. Talati	-	-	-	-	-	0.06

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in Million)

Sr. No.	Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Joint Ventures/ Entities controlled by Joint Ventures		Key Management Personnel / Relatives of Key Management Personnel	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>6</b>	<b>Short term loan given</b>	<b>0.25</b>	<b>0.25</b>	<b>6,110.00</b>	<b>4,085.74</b>	<b>5.30</b>	<b>28.52</b>
	IRB Charitable Foundation	0.25	0.25	-	-	-	-
	Udaipur Tollway Limited	-	-	219.09	219.09	-	-
	Solapur Yedeshi Tollway Limited	-	-	90.82	90.82	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	167.90	167.90	-	-
	IRB Infrastructure Trust	-	-	4,872.91	3,607.93	-	-
	Sudhir Rao Hoshing	-	-	-	-	5.30	28.52
	Meerut Budaun Expressway Limited	-	-	759.28	-	-	-
<b>7</b>	<b>Trade receivables</b>	-	-	<b>15,231.60</b>	<b>13,077.33</b>	-	-
	IRB Westcoast Tollway Limited	-	-	1,507.47	1,765.12	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	529.54	580.22	-	-
	Solapur Yedeshi Tollway Limited	-	-	219.69	222.62	-	-
	Kaithal Tollway Limited	-	-	-	0.94	-	-
	AE Tollway Limited	-	-	9.53	9.53	-	-
	Udaipur Tollway Limited	-	-	2,865.46	2,797.63	-	-
	CG Tollway Limited	-	-	2,500.15	2,340.74	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	3,032.34	2,685.20	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	2,932.23	2,675.34	-	-
	Palsit Dankuni Tollway Private Limited	-	-	1,635.19	-	-	-
<b>8</b>	<b>Mobilisation advance received</b>	-	-	<b>33.68</b>	<b>435.80</b>	-	-
	IRB Westcoast Tollway Limited	-	-	33.68	230.42	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	-	205.38	-	-
<b>9</b>	<b>Advance from customers</b>	-	-	<b>1,292.06</b>	<b>502.89</b>	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	314.34	421.29	-	-
	AE Tollway Limited	-	-	81.57	81.57	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	0.03	0.03	-	-
	Palsit Dankuni Tollway Private Limited	-	-	896.12	-	-	-
<b>10</b>	<b>Retention money receivable</b>	-	-	<b>274.44</b>	<b>256.49</b>	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	20.86	23.42	-	-
	AE Tollway Limited	-	-	15.79	23.08	-	-
	IRB Westcoast Tollway Limited	-	-	51.87	70.14	-	-
	Solapur Yedeshi Tollway Limited	-	-	0.38	2.18	-	-
	Kaithal Tollway Limited	-	-	-	2.55	-	-
	CG Tollway Limited	-	-	72.13	48.62	-	-
	Udaipur Tollway Limited	-	-	40.33	40.33	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	64.44	41.77	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	8.64	4.40	-	-
<b>11</b>	<b>Guarantees given</b>	-	-	<b>2,921.80</b>	-	-	-
	Palsit Dankuni Tollway Private Limited	-	-	1,409.80	-	-	-
	Meerut Budaun Expressway Limited	-	-	1,512.00	-	-	-

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for the year ended March 31, 2023

(₹ in Million)

Sr. No.	Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives		Joint Ventures/ Entities controlled by Joint Ventures		Key Management Personnel / Relatives of Key Management Personnel	
		31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
<b>12</b>	<b>Contract assets</b>	-	-	<b>5,836.79</b>	<b>2,812.85</b>	-	-
	Udaipur Tollway Limited	-	-	51.72	-	-	-
	CG Tollway Limited	-	-	6.05	-	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	-	1,089.97	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	534.59	978.75	-	-
	IRB Westcoast Tollway Limited	-	-	-144.21	744.13	-	-
	Palsit Dankuni Tollway Private Limited	-	-	2,119.99	-	-	-
	Meerut Budaun Expressway Limited	-	-	3,268.65	-	-	-
<b>13</b>	<b>Trade payables</b>	<b>71.16</b>	<b>11.63</b>	<b>0.61</b>	<b>1.90</b>	-	-
	AE Tollway Limited	-	-	0.51	0.51	-	-
	MMK Toll Road Private Limited	-	-	-	1.39	-	-
	Loch Fynne Limited	3.97	11.63	-	-	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	0.10	-	-	-
	Cintra Servicios de Infraestructuras SA	36.48	-	-	-	-	-
	Ciinfra India Private Ltd	30.71	-	-	-	-	-
<b>14</b>	<b>Non-convertible debentures acquired</b>	-	-	<b>707.20</b>	-	-	-
	Meerut Budaun Expressway Limited	-	-	707.20	-	-	-
<b>15</b>	<b>Post-employment benefit plan (Gratuity)</b>	<b>402.72</b>	-	-	-	-	-
	Modern Road Makers Private Limited Employees Group Gratuity Scheme	264.42	-	-	-	-	-
	IRB Infrastructure Developers Limited Employees Group Gratuity Scheme	123.20	-	-	-	-	-
	MRM Mining Private Limited Employee Group Gratuity Scheme	10.82	-	-	-	-	-
	IRB Sindhudurg Airport Private Limited Employee Group Gratuity Scheme	1.14	-	-	-	-	-
	IRB Infrastructure Private Limited Employee Group Gratuity Scheme	3.14	-	-	-	-	-

### Note 36 : Segment Information:

- a) The Group has identified business segments in accordance with Indian Accounting Standard 108 "Operating Segment" notified under Section 133 of the Companies Act 2013, read together with relevant rules issued thereunder.
- b) The Group has identified two business segments viz., Built, Operate and Transfer ("BOT")/ Toll Operate and Transfer ("TOT") and Construction as reportable segments.

The business segments of the Group comprise of the following:

Segment	Description of Activity
BOT/ TOT Projects	Operation and maintenance of roadways
Construction	Development of roads

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

for the year ended March 31, 2023

- c) Performance is measured based on segment results (before tax), as included in the internal management reports that are reviewed by the Board of Directors. Segment results is used to measure performance as management believes that such information is more relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Segment results (before tax) differs from consolidated profit before tax in that it excludes unallocated corporate expenses, other income, unallocated finance expenses and share of loss from joint venture, as these items are not allocated to individual segments.
- d) The Group's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.
- e) Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.
- f) Assets and Liabilities that cannot be allocated between the segments are shown as a part of unallocated corporate assets and liabilities respectively.
- g) Details of Business Segment information is presented below:

Particulars	(₹ in Million)							
	BOT/ TOT Projects		Construction		Unallocated corporate		Total	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
<b>REVENUE</b>								
Total external revenue	20,432.67	17,874.84	43,381.77	39,958.89	201.97	203.27	64,016.41	58,037.00
Inter segment revenue	-	-	-	-	-	-	-	-
<b>Total Revenue (Net)</b>	<b>20,432.67</b>	<b>17,874.84</b>	<b>43,381.77</b>	<b>39,958.89</b>	<b>201.97</b>	<b>203.27</b>	<b>64,016.41</b>	<b>58,037.00</b>
<b>RESULT</b>								
<b>Segment Results</b>	<b>10,949.35</b>	<b>9,685.58</b>	<b>13,733.60</b>	<b>12,121.41</b>	<b>(137.99)</b>	<b>(23.65)</b>	<b>24,544.96</b>	<b>21,783.34</b>
Unallocated corporate expenses							(575.83)	(636.11)
<b>Operating Profit</b>							<b>23,969.13</b>	<b>21,147.23</b>
Other Income							3,016.73	5,517.47
Unallocated financial expenses							(15,146.26)	(18,906.23)
<b>Profit Before Exceptional items and Tax</b>							<b>11,839.60</b>	<b>7,758.47</b>
Share of loss from joint ventures (net)							(1,070.09)	(2,262.15)
<b>Profit Before Tax</b>							<b>10,769.51</b>	<b>5,496.32</b>
Current Tax							2,500.18	1,781.97
Deferred Tax							1,069.22	100.38
<b>Profit for the year</b>							<b>7,200.11</b>	<b>3,613.97</b>
<b>OTHER INFORMATION</b>								
Segment assets	2,45,202.06	2,51,751.08	95,655.13	94,773.41	86,804.58	79,141.71	4,27,661.77	4,25,666.20
Segment liabilities	1,12,239.96	1,19,650.36	12,872.74	12,309.17	1,68,760.08	1,68,050.26	2,93,872.78	3,00,009.79
Capital expenditure incurred	3,814.07	11,422.77	494.89	2,473.04	-	-	4,308.96	13,895.81
Depreciation and Amortisation	7,744.20	6,511.12	393.57	234.68	183.43	81.90	8,321.20	6,827.70

Footnotes:-

- Unallocated corporate assets includes current and non-current investments, goodwill, deferred tax assets, cash and bank balances and advance payment of income tax.
- Unallocated corporate liabilities includes long term borrowings, short term borrowings, current maturities of long term borrowing, deferred tax liability and provision for taxation.
- Unallocated corporate expenses under segment revenue and segment results includes Real Estate Development, Windmill (Sale of electricity generated by windmill), Hospitality and Airport Infrastructure.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

for the year ended March 31, 2023

**Note 37 : Information required for consolidated financial statements pursuant to schedule III of the Companies Act, 2013 :**

Name of the entity	Share in Profit / (Loss)			
	March 31, 2023		March 31, 2022	
	As % of consolidated net assets	(₹ in million)	As % of consolidated net profit	(₹ in million)
<b>Parent</b>				
IRB Infrastructure Developers Limited	58%	77,385.97	310%	22,353.10
<b>Subsidiaries</b>				
Modern Road Makers Private Limited	9%	12,332.10	(417)%	(29,989.90)
Ideal Road Builders Private Limited	0%	171.09	1%	90.06
Mhaiskar Infrastructure Private Limited	0%	296.77	1%	46.10
ATR Infrastructure Private Limited	0%	233.15	(1)%	(53.45)
Aryan Toll Road Private Limited	0%	41.11	(0)%	(9.03)
IRB MP Expressway Private Limited	11%	14,586.59	40%	2,897.66
IRB Infrastructure Private Limited	0%	18.48	1%	48.35
Thane Ghodbunder Toll Road Private Limited	0%	7.39	(0)%	(1.16)
Aryan Infrastructure Investments Private Limited	1%	1,710.52	(0)%	(0.56)
IRB Kolhapur Integrated Road Development Company Private Limited	0%	273.06	(0)%	(0.93)
Aryan Hospitality Private Limited	0%	113.72	(0)%	(12.02)
IRB Sindhadurg Airport Private Limited	6%	7,796.73	(3)%	(214.09)
IRB Goa Tollway Private Limited	1%	1,793.53	(0)%	(11.06)
IRB PS Highway Private Limited	0%	0.03	(0)%	(0.29)
MRM Mining Private Limited	(0)%	(7.22)	(3)%	(245.46)
IRB Ahmedabad Vadodara Super Express Tollway Private Limited	7%	9,800.63	(13)%	(925.19)
GE1 Expressway Private Limited (formerly known as IRB PP Project Private Limited)	0%	0.00	(0)%	(0.24)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in Profit / (Loss)	
	March 31, 2023		March 31, 2023	
	As % of consolidated net assets	As % of consolidated net assets	As % of consolidated net profit	As % of consolidated net profit
VK1 Expressway Private Limited (Upto 12 October 2022)	0 %	4 %	(11)%	139 %
VM7 Expressway Private Limited	3 %	2 %	77 %	74 %
Paisit Dankuni Tollway Private Limited (w.e.f 15 April 2021)	0 %	0 %	0 %	(0)%
Pathankot Mandi Highway Private Limited (w.e.f 23 April 2021)	1 %	0 %	28 %	(0)%
Chittoor Thachur Highway Private Limited (w.e.f 13 October 2021)	1 %	0 %	10 %	(0)%
Samakhiali Tollway Private Limited	0 %	0 %	(0)%	0 %
Meerut Badaun Expressway Limited (w.e.f 05 January 2022 and upto 14 October 2022)	0 %	0 %	94 %	(0)%
Add: Adjustment for goodwill on consolidation	0 %	0 %	0 %	0 %
Less: Share of loss from joint venture	0 %	0 %	(15)%	(63)%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Note: The above figures are net of intra-group elimination.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 37 : Information required for consolidated financial statements pursuant to schedule III of the Companies Act, 2013 :

Name of the entity	Share in Other Comprehensive Income / (Loss)		Share in Total Comprehensive Income / (Loss)	
	March 31, 2023		March 31, 2023	
	As % of Other comprehensive income / (loss)	As % of Other comprehensive income / (loss)	As % of total comprehensive income / (loss)	As % of total comprehensive income / (loss)
<b>Parent</b>				
IRB Infrastructure Developers Limited	99%	110%	270%	234%
<b>Subsidiaries</b>				
Modern Road Makers Private Limited	1 %	(9)%	(337)%	(376)%
Ideal Road Builders Private Limited	0 %	0 %	1 %	15 %
Mhaiskar Infrastructure Private Limited	0 %	0 %	1 %	0 %
ATR Infrastructure Private Limited	0 %	(0)%	(1)%	5 %
Aryan Toll Road Private Limited	0 %	0 %	(0)%	0 %
IRB MP Expressway Private Limited	0 %	0 %	33 %	19 %
IRB Infrastructure Private Limited	0 %	(0)%	1 %	1 %
Thane Ghodbunder Toll Road Private Limited	0 %	0 %	(0)%	22 %
Aryan Infrastructure Investments Private Limited	0 %	0 %	(0)%	(0)%
IRB Kolhapur Integrated Road Development Company Private Limited	0 %	0 %	(0)%	(23)%
Aryan Hospitality Private Limited	0 %	0 %	(0)%	(0)%
IRB Sindhudurg Airport Private Limited	0 %	(0)%	(2)%	(3)%
IRB Goa Tollway Private Limited	0 %	0 %	(0)%	90 %
IRB PS Highway Private Limited	0 %	0 %	(0)%	0 %
MRM Mining Private Limited	(0)%	(1)%	(3)%	(5)%
IRB Ahmedabad Vadodara Super Express Tollway Private Limited	0 %	0 %	(10)%	(21)%



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Name of the entity	Share in Other Comprehensive Income / (Loss)		Share in Total Comprehensive Income / (Loss)	
	March 31, 2023		March 31, 2022	
	As % of Other comprehensive income / (loss)	As % of Other comprehensive income / (loss)	As % of total comprehensive income / (loss)	As % of total comprehensive income / (loss)
GE1 Expressway Private Limited (formerly known as IRB PP Project Private Limited)	0%	0%	(0)%	(0)%
VK1 Expressway Private Limited (Upto 12 October 2022)	0%	0%	(9)%	131%
VM7 Expressway Private Limited	0%	0%	62%	69%
Paisit Dankuni Tollway Private Limited (w.e.f 15 April 2021)	0%	0%	0%	(0)%
Pathankot Mandi Highway Private Limited (w.e.f 23 April 2021)	0%	0%	23%	(0)%
Chittoor Thachur Highway Private Limited (w.e.f 13 October 2021)	0%	0%	8%	(0)%
Samakhilyal Tollway Private Limited	0%	0%	(0)%	0%
Meerut Badaun Expressway Limited (w.e.f 05 January 2022 and upto 14 October 2022)	0%	0%	76%	(0)%
Add: Adjustment for goodwill on consolidation	0%	0%	0%	0%
Less: Share of loss from joint venture	0%	0%	(12)%	(59)%
	<b>100%</b>	<b>1,695.17</b>	<b>100%</b>	<b>3,836.40</b>

Note: The above figures are net of intra-group elimination.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 38 : Disclosure pursuant to Appendix - A to Ind AS 11 - "Service Concession Arrangements" ('SCA')

#### (A) Disclosures with regard to Toll Collection Rights (Intangible Assets)

Sr. No.	Name of Concessionaire	Start of concession period under concession agreement (Appointed date)	End of concession period under concession agreement	Period of concession since the appointed date	Construction completion date or scheduled construction completion date under the concession agreement, as applicable
1	ATR Infrastructure Private Limited <sup>(3)</sup>	September 25, 2003	October 8, 2021	18 years	December 20, 2005
2	IRB Ahmedabad Vadodara Super Express Tollway Private Limited	January 1, 2013	December 31, 2037	25 years	December 6, 2015
3	Samakhilyal Tollway Private Limited	Appointed date awaited		20 years	Appointed date awaited

Note:

- The above BOT/ DBFOT projects shall have following rights/ obligations in accordance with the Concession Agreement entered into with the Respective Government Authorities:-
  - Rights to use the Specified assets
  - Obligations to provide or rights to expect provision of services
  - Obligations to deliver or rights to receive at the end of the Concession.
- The actual concession period may vary based on terms of the respective concession agreements.
- The Concession period for the project was successfully completed on 08th October, 2021.

#### (B) Disclosures with regard to Hybrid Annuity Project

(i)	Name of Concessionaire	VM7 Expressway Private Limited	VK1 Expressway Private Limited*	Pathankot Mandi Highway Private Limited	Chittoor Thachur Highway Private Limited
(ii)	Description of the arrangement:	Construction of Eight Lane Access Controlled Expressway From KM 190.000 to KM 217.50 of Vadodara Mumbai Expressway (Gandeva to Ena section) in the state of Gujarat on Hybrid Annuity Mode (HAM) basis.	Eight lane 23.74 KM section of Expressway between Vadodara and Kim in Gujarat on a Hybrid Annuity Mode (HAM) basis.	Rehabilitation and Upgradation to Four Lane configuration & Strengthening of Punjab/ HI Border to Mo from KM 11.000 to KM 42.000 (Design Length 28.700 KM) of Pathankot-Mandi Section in the state of Himachal Pradesh on Hybrid Annuity Mode (HAM).	Construction of Six Laning of Chittoor-Thachur road from KM. 96.040 (Pondavakkam) to KM. 116. 100 (Kannigaipair) in the state of Tamil Nadu (Package-IV) on Hybrid Annuity mode (HAM).
(iii)	Significant terms of the arrangement:				
	Period of concession:	17 years from Appointed date	17 years from Appointed date	17 years from Appointed date	17 years from Appointed date
	Start of concession period under concession agreement (Appointed date)	November 09, 2021	January 18, 2019	May 18, 2022	January 24, 2023
	End of concession period under concession agreement	November 08, 2038	December 29, 2036	May 16, 2039	January 22, 2040
	Remuneration:	Annuity, interest and O&M	Annuity, interest and O&M	Annuity, interest and O&M	Annuity, interest and O&M
	Investment grant from concession grantor:	Yes	Yes	Yes	Yes

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Name of Concessionaire	VM7 Expressway Private Limited	VK1 Expressway Private Limited	Pathankot Mandi Highway Private Limited	Chittoor Thachur Highway Private Limited
Investment return to grantor at end of concession:	Yes	Yes	Yes	Yes
Investment and renewal obligations:	No	No	No	No
Repricing dates:	Half yearly for O&M	Half yearly for O&M	Half yearly for O&M	Half yearly for O&M
Basis upon which re-pricing or re-negotiation is determined:	Inflation price index as defined in Concession Agreement	Inflation price index as defined in Concession Agreement	Inflation price index as defined in Concession Agreement	Inflation price index as defined in Concession Agreement
(iv) Financial assets :				
a) Current (₹ in Million)	₹ 2,728.63 million (March 31, 2022 : ₹ 1,148.59 million)	Not Applicable (March 31, 2022 : ₹ 599.15 million)	₹ 707.11 million (March 31, 2022 : Nil)	₹ 617.04 million (March 31, 2022 : Nil)
b) Non-current (₹ in Million)	₹ 3,990.72 million (March 31, 2022 : ₹ 1,722.89 million)	Not Applicable (March 31, 2022 : ₹ 12,372.58 million)	₹ 994.23 million (March 31, 2022 : Nil)	₹ 863.21 million (March 31, 2022 : Nil)

\*During the year ended March 31, 2023, the Company has concluded the sale of investment held in its wholly owned subsidiary, VK1 Expressway Private Limited ("VK1") for an agreed consideration of ₹ 3,420 million vide Share Purchase Agreement (SPA) with IRB InvIT Fund on October 13, 2022 and thereafter VK1 ceased to be the subsidiary. The transaction has been consummated and the entire consideration has been received.

As at March 31 2023, the project is under construction phase. Balance obligation as on March 31, 2023 is ₹ 22,595.73 million (March 31, 2022 : ₹ 13,884.30 million).

Note:

In HAM projects, revenue is received / receivable as under:

- 40% of the total bid project cost with adjustment relating to Price Index Multiple, shall be due and payable to the Group in 5-10 equal installments during the construction period in accordance with the provisions of the SCA.
- The remaining bid project cost, with adjustment relating to Price Index Multiple, shall be due and payable in 30 bi-annual installments commencing from the 180th day of COD in accordance with the provision of the SCA.
- Interest shall be due and receivable on the reducing balance of Completion Cost at an interest rate equal to the applicable scheduled Bank Rate plus 1.25% - 3%. Such interest shall be due and receivable biannually along with each installment specified in of SCA.

### (C) Disclosures with regard to Toll Operate Transfer Project

(i) Name of Concessionaire	IRB MP Expressway Private Limited (IRBMP) (formerly known as NKT Road and Toll Private Limited)
(ii) Description of the arrangement:	Tolling, operation, maintenance and transfer of Yashwantrao Chavan Expressway & National Highway NH-48 in the state of Maharashtra
(iii) Significant terms of the arrangement:	
Period of concession:	10 years 2 months
Start of concession period under concession agreement	March 1, 2020
End of concession period under concession agreement	April 30, 2030
Payment terms:	Upfront payment of ₹ 65,000 million and further staggered payment of ₹ 8,500 million in year 2, ₹ 8,500 million in year 3 and ₹ 620 million in year 4, aggregating to ₹ 82,620 million

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 39 : Trade Payable

#### a) Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

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

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Group and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the consolidated financial statement as at March 31, 2023 and March 31, 2022 based on the information received and available with the Group.

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Principal amount remaining unpaid to any supplier as at the period end	419.20	514.59
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-

#### MSME ageing schedule as at

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>MSME Undisputed Dues</b>		
Not due	196.68	136.02
Less than 1 year	222.52	378.57
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
<b>Total</b>	<b>419.20</b>	<b>514.59</b>

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

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Others Undisputed Dues</b>		
Not due	1,233.41	654.64
Less than 1 year	3,367.37	2,301.50
1-2 Years	1.66	343.17
2-3 Years	0.65	0.05
More than 3 years	-	0.96
<b>Total</b>	<b>4,603.10</b>	<b>3,300.33</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 40 : Fair Values

The carrying values of financials instruments of the Group are reasonable and approximations of fair values.

Particulars	(₹ in Million)			
	Carrying amount		Fair Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Financial assets</b>				
<b>Financial assets measured at fair value through statement of Profit &amp; Loss</b>				
Investments (Quoted)*	1,793.14	4,635.34	1,957.62	4,635.34
Other Financial assets	35,776.26	35,167.02	35,776.26	35,167.02
Trade receivable	1,341.72	5,998.85	1,341.72	5,998.85
<b>Financial assets measured at fair value through other comprehensive income</b>				
Investments (Quoted)*	7,777.29	8,078.59	6,256.66	4,875.36
Investments (Unquoted)	6.25	6.25	6.25	6.25
<b>Financial assets measured at amortised cost</b>				
Investments (Unquoted)	0.17	0.17	-	-
Loans	6,176.03	4,179.61	-	-
Other Financial assets	12,065.72	16,846.21	-	-
Trade receivable	16,352.31	9,935.47	-	-
Cash and cash equivalents	3,005.60	529.75	-	-
Other Bank balances	21,165.80	16,908.71	-	-

Particulars	(₹ in Million)			
	Carrying amount		Fair Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Financial liabilities</b>				
<b>Financial liabilities measured at amortised cost</b>				
Trade payables	5,022.30	3,817.25	-	-
Borrowings (net of unamortised transaction cost)	1,67,396.86	1,66,852.67	-	-
Lease liabilities	85.07	119.98	-	-
Other financial liabilities	1,14,857.79	1,22,781.30	-	-

\* The cost of quoted investment is ₹ 9,570.43 million (March 31, 2022: ₹ 12,713.93 million)

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

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

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

The above investments does not include equity investments in joint ventures which are carried at cost and hence are not required to be disclosed as per Ind AS 107 'Financial Instrument Disclosure.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 41 : Fair Value Hierarchy

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

Level 1: Quoted (unadjusted) price in active market for identical assets or liabilities

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

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

#### Quantitative disclosures fair value measurement hierarchy for financial instruments as at March 31, 2023:

Particulars	(₹ in Million)			
	As on March 31, 2023	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
Investments (Quoted)	8,214.28	8,214.28	-	-
Investments (Unquoted) *	6.42	-	-	6.42
Other financial assets**	35,776.26	-	-	35,776.26
<b>Liabilities</b>				
Lease liabilities***	85.07	-	-	85.07
Non convertible debentures	6,376.30	-	6,422.28	-

#### Quantitative disclosures fair value measurement hierarchy for financial instruments as at March 31, 2022:

Particulars	(₹ in Million)			
	As on March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
Investments (Quoted)	9,510.70	9,510.70	-	-
Investments (Unquoted) *	6.42	-	-	6.42
Other financial assets**	35,167.02	-	-	35,167.02
<b>Liabilities</b>				
Lease liabilities***	119.98	-	-	119.98
Non convertible debentures	7,290.00	-	8,039.30	-

There have been no transfers between Levels during the year.

\*The fair value in respect of the unquoted equity investments can not be reliably estimated and hence the same is valued at cost.

\*\*The fair value measurements for the Receivable from IRB Infrastructure Trust ('Trust') have been categorised as Level 3 fair values based on the inputs to the valuation techniques used. The fair valuation is determined based on present value of projected cash flows and risk free discount rates. The significant unobservable inputs used are (a) applying probability for percentage of amount that will be collected against the claims raised / to be raised with customers including the timing of collection (over a period of three years) with weights being assigned to different probability scenarios; and (b) discount rate applied to determine present value is 11.90% (31 March 2022 - 10.30%).

Sensitivity: Higher probability by 5% and lower discount rate by 0.5% will increase the fair value by ₹ 4,166.87 million (31 March 2022 - ₹ 4,048.35 million). Lower probability by 5% and higher discount rate by 0.5% will reduce fair value by ₹ 3,946.06 million (31 March 2022 - ₹ 3,784.57 million). There were no significant inter-relationship between unobservable inputs that materially affects fair value .

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Fair value movement for Receivable from Trust is as under:

Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
At the Beginning of the year	35,167.02	32,957.00
Add: Adjustment on account of fair valuation	560.53	2,161.31
Add: Adjustment on account of interest unwinding and others	48.71	48.71
<b>At the end of the year</b>	<b>35,776.26</b>	<b>35,167.02</b>

### Lease liabilities\*\*\*

The sensitivity analysis below have been determined based on reasonably possible changes of the discounting rate occurring at the end of the reporting year, while holding all other assumptions constant.

If the discounting rate is 50 basis point higher (lower), the impact on profit would be decreased by ₹ 0.04 million (increased by ₹ 0.05 million).

### Note 42 : Financial risk management objectives and policies

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

The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework.

In performing its operating, investing and financing activities, the Group is exposed to the Credit risk, Liquidity risk and Market risk.

### Market Risk

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

### Credit Risk

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

### Financial instruments

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

### Investment in Equity shares/units of joint ventures

The Group has investments in equity shares / units of joint ventures. The settlement of such instruments is linked to the completion of the respective underlying projects. Such Financial Assets are not impaired as on the reporting date.

### Trade receivables

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

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

Gross Carrying Amount	₹ in Million)	
	March 31, 2023	March 31, 2022
Undisputed Trade receivables -considered good		
Less than 6 months	2,766.64	7,979.98
6 months - 1 year	7,028.82	6,313.96
1-2 Years	7,461.00	1,501.45
2-3 Years	435.97	59.18
More than 3 years	1.60	79.75
<b>Total</b>	<b>17,694.03</b>	<b>15,934.32</b>

### Other financial assets and Loans

The Group has other receivables from related parties. The Group does not perceive any credit risk pertaining to other receivables except as given in the below table. The Group makes provision of expected credit losses to mitigate the risk of default payments and makes appropriate provision at each reporting date whenever outstanding is for a longer period and involves higher risk. The Group also has receivables from loans which are primarily provided in form of security deposits. The Group monitors the credit worthiness of such lessors where the amount of security deposits is material.

The movement in allowance for doubtful receivable is as follows:

Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
Balance as at beginning of the year	64.10	-
Provision for credit impaired during the year	-	64.10
<b>Balance as at end of the year</b>	<b>64.10</b>	<b>64.10</b>

### Interest Rate Risk

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

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings.

### Interest rate sensitivity

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

Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
Long term borrowings - variable interest rate - (Gross of unamortised transaction cost)	1,12,842.93	1,21,659.66
Long term borrowings - fixed interest rate (Gross of unamortised transaction cost)	32,366.30	33,425.04
Short term borrowings - fixed interest rate	13,377.02	5,761.98
Short term borrowings - interest free	13.67	13.67
Financial assets - fixed interest rate	21,597.80	17,001.69

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Cash flow sensitivity analysis for variable rate instrument

	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Gross Carrying Amount</b>		
<b>Long term borrowings - Variable interest rate</b>		
If the interest rate is 50 basis point higher (lower), the impact on profit or loss would be		
- Decreased by	564.21	608.30
- Increased by	564.21	608.30
<b>Long term borrowings - Variable interest rate</b>		
If the interest rate is 50 basis point higher (lower), the impact on profit or loss would be		
- Decreased by	161.83	167.13
- Increased by	161.83	167.13
<b>Short term borrowings - fixed interest rate</b>		
If the interest rate is 50 basis point higher (lower), the impact on profit or loss would be		
- Decreased by	66.89	28.81
- Increased by	66.89	28.81
<b>Financial assets - fixed interest rate</b>		
If the interest rate is 50 basis point higher (lower), the impact on profit or loss would be		
- Increased by	107.99	85.01
- Decreased by	107.99	85.01

### Currency Risk

The Group conducts all the transactions in Indian Rupees which is also the functional currency of the Group. Hence, the sensitivity analysis is not required.

### Liquidity risk

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

The table below summarises the maturity profile of the Group financial liabilities based on contractual undiscounted payments:

The Group maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts of borrowings, trade payables and other financial liabilities. The Group maximum exposure relating to financial guarantees and financial instruments is noted in note 30 and the liquidity table below respectively:

	(₹ in Million)				
As at March 31, 2023	Carrying amt	Total	Less than 1 year	1 to 5 years	> 5 years
Current Investments	1,956.99	1,956.99	1,956.99	-	-
Trade receivables	17,694.03	18,053.73	16,531.42	1,522.32	-
Cash and cash equivalents	3,005.60	3,005.60	3,005.60	-	-
Bank balance	21,165.80	21,165.80	21,165.80	-	-
Loans	6,176.03	6,176.03	6,176.03	-	-
Other financial assets	47,841.98	47,841.98	6,140.86	37,576.76	4,124.36
<b>Total</b>	<b>97,840.43</b>	<b>98,200.13</b>	<b>54,976.70</b>	<b>39,099.08</b>	<b>4,124.36</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

	(₹ in Million)				
As at March 31, 2022	Carrying amt	Total	Less than 1 year	1 to 5 years	> 5 years
Current Investments	4,634.98	4,634.98	4,634.98	-	-
Trade receivables	15,934.32	16,873.57	10,073.19	6,800.38	-
Cash and cash equivalents	529.75	529.75	529.75	-	-
Bank balance	16,908.71	16,908.71	16,908.71	-	-
Loans	4,179.61	4,179.61	4,179.61	-	-
Other financial assets	52,013.23	52,013.23	2,691.10	49,322.13	-
<b>Total</b>	<b>94,200.60</b>	<b>95,139.85</b>	<b>39,017.34</b>	<b>56,122.51</b>	<b>-</b>

	(₹ in Million)				
As at March 31, 2023	Carrying amt	Total	Less than 1 year	1 to 5 years	> 5 years
Long term Borrowings (Gross of unamortised transaction cost)*	1,54,705.20	1,90,659.25	21,098.31	99,963.92	69,597.02
Short term borrowings	13,870.52	14,590.19	14,590.19	-	-
Lease liabilities	85.07	85.07	39.58	45.49	-
Other financial liabilities	1,14,857.79	1,14,857.79	8,367.53	22,085.70	84,404.56
Trade payables	5,022.30	5,022.30	5,022.30	-	-
<b>Total</b>	<b>2,88,540.88</b>	<b>3,25,214.60</b>	<b>49,117.91</b>	<b>1,22,095.11</b>	<b>1,54,001.58</b>

	(₹ in Million)				
As at March 31, 2022	Carrying amt	Total	Less than 1 year	1 to 5 years	> 5 years
Long term Borrowings (Gross of unamortised transaction cost)*	1,62,185.55	2,03,693.89	16,322.22	1,01,000.71	86,370.96
Short term borrowings	6,229.11	6,873.24	6,873.24	-	-
Lease liabilities	119.98	119.98	34.92	85.06	-
Other financial liabilities	1,22,781.30	1,22,781.30	10,717.31	26,871.50	85,192.49
Trade payables	3,817.25	3,817.25	3,817.25	-	-
<b>Total</b>	<b>2,95,133.19</b>	<b>3,37,285.66</b>	<b>37,764.94</b>	<b>1,27,957.27</b>	<b>1,71,563.45</b>

\*Refer note 17(iv)(a).

The Group has sufficient level of cash and bank balances, including highly marketable debt investments to meet the financial liabilities over the next twelve months. Moreover, the Group has maintained adequate sources of financing including debt tie up with banks/ financial institutions and overdraft facility from banks in respect of committed capital and operational outflows.

### Note 43 : Loans or advances to specified persons

	(₹ in Million)			
	March 31, 2023		March 31, 2022	
Types of borrower	Gross Carrying Amount outstanding*	% of Total ^	Gross Carrying Amount outstanding*	% of Total ^
1. Promoters	-	-	-	-
2. Directors	-	-	-	-
3. KMPs	-	-	-	-
4. Related Parties	477.81	7.74%	477.81	11.43%
<b>Total aggregate loans</b>	<b>6,176.03</b>		<b>4,179.61</b>	

\* represents repayable on demand.

^ represents percentage to the total Loans and Advances in the nature of loan

There are no loan without specifying any terms or period of repayment in the current and previous year.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 44 : Capital management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2023 and March 31, 2022. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings (Gross of unamortised transaction cost) less cash and cash equivalents.

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
Long term Borrowings (Note 17)	1,54,705.20	1,62,185.55
Short term Borrowings (Note 17)	13,870.52	6,229.11
Less: cash and cash equivalents (Note 12A and 20)	(3,005.60)	(472.83)
<b>Net debt</b>	<b>1,65,570.12</b>	<b>1,67,941.83</b>
Equity (Note 15 and 16)	1,33,788.99	1,25,656.41
<b>Total equity</b>	<b>1,33,788.99</b>	<b>1,25,656.41</b>
<b>Capital and net debt</b>	<b>2,99,359.11</b>	<b>2,93,598.24</b>
<b>Gearing ratio (%)</b>	<b>55.31%</b>	<b>57.20%</b>

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

### Note 45 : Dividend Distribution made

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
<b>Cash dividend on equity shares declared and paid :</b>		
Interim dividend for the year ended March 31, 2023 ₹ 1.25/- per share of face value of ₹ 10 each (refer note 15)	754.88	-
<b>Total</b>	<b>754.88</b>	<b>-</b>

### Note 46 : Donation

During the current year, donation given to political parties amounts to ₹ 265.00 million (31 March 2022 - ₹ 250.00 million). Details are as under:

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
Donation through Electoral bonds	265.00	250.00
<b>Total</b>	<b>265.00</b>	<b>250.00</b>

### Note 47 : Details of specific projects

#### IRBAV

- During the year ended March 31, 2015, the Group had received approval of NHAI for premium deferment for Ahmedabad Vadodara project. The Scheme is applicable to the Project from FY14-15 onwards. Such deferred premium is included in non current / other current financial liabilities.
- IRBAV has been awarded the contract on a DBFOT basis. As per the terms of the concession agreement, IRBAV is obligated to pay an amount of ₹ 148,806.38 million to NHAI as additional concession fee over the concession period. Accordingly, from financial year 2014-15, liability for the entire amount of concession fee payable has been created and the corresponding amount is shown as Toll Collection Rights under the head Intangible Assets.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

- IRB Ahmedabad Vadodara Super Express Tollway Private Limited ('IRBAV'), a subsidiary of the Company has received award from Hon'ble High court for continuation of relief from payment of Premium to NHAI till the outcome of Section 17 proceedings under Arbitration. Pending outcome of the matter, the said entity has paid premium to NHAI only to the extent of available cash surplus.

### Note 48 : Corporate Social Responsibility

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
(a) Gross amount required to be spent by the Group during the year	160.83	196.22
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
In cash	-	-
Yet to be paid in cash	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
(ii) On purposes other than (i) above		
In cash	164.12	201.32
Yet to be paid in cash	-	-
<b>Total</b>	<b>164.12</b>	<b>201.32</b>
(c) Shortfall at the end of the year	Nil	Nil
(d) Total of previous years shortfall	Nil	Nil
(e) Reason for shortfall	Not Applicable	Not Applicable
(f) Nature of CSR activities	Eradicating Poverty, Providing Healthcare and Education facilities	Eradicating Poverty, Providing Healthcare and Education facilities
(g) Details of related party transactions, e.g., contribution to a trust controlled by the Group in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	Nil	Nil

Note:

- The Company does not have any ongoing projects as at March 31, 2023.
- The Company has elected not to carry forward any excess amount spent during the year

### Note 49 : Interest in joint ventures

The Group has 51% interest in IRB Infrastructure Trust (Trust), Meerut Budaun Expressway Limited (MBEL) and MMK Toll Road Private Limited (MMK) and has joint control over the said entities. The Group's interest in the consolidated financial statements of Trust and the standalone financial statements of MBEL and MMK are accounted for using the equity method in the consolidated financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

Summarised financial information of the joint ventures, based on its Ind AS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

### Summarised Balance Sheet as at March 31, 2023 and March 31, 2022:

Particulars	March 31, 2023			March 31, 2022	
				(₹ in million)	
	MBEL	Trust	MMK	Trust	MMK
Non-current assets including intangible assets	16,100.57	2,32,382.29	0.48	2,24,710.72	0.10
Current assets including cash and cash equivalents	651.43	11,096.20	103.89	6,864.15	115.71
Non-current liabilities including borrowings	(6,342.02)	(1,41,855.50)	(8.01)	(1,35,078.03)	(2.71)
Current liabilities including trade payables	(4,736.92)	(24,088.65)	(6.88)	(19,100.80)	(10.42)
<b>Equity</b>	<b>5,673.06</b>	<b>77,534.34</b>	<b>89.47</b>	<b>77,396.04</b>	<b>102.68</b>
Other Adjustment to Equity	-	-	0.12	-	1.48
<b>Adjusted Equity</b>	<b>5,673.06</b>	<b>77,534.34</b>	<b>89.59</b>	<b>77,396.04</b>	<b>104.16</b>
Proportion of Group's ownership	51%	51%	51%	51%	51%
<b>Carrying amount of investment</b>	<b>2,893.25</b>	<b>39,542.50</b>	<b>45.69</b>	<b>39,471.99</b>	<b>53.11</b>

### Summarised statement of profit and loss of the following entities:

Particulars	March 31, 2023			March 31, 2022	
				(₹ in Million)	
	MBEL	Trust	MMK	Trust	MMK
Total income	7,743.10	27,175.66	49.03	12,504.97	36.49
Road work and site expenses	(7,305.51)	(15,513.22)	-	(3,989.80)	-
Depreciation and amortisation expenses	-	(2,810.42)	-	(1,674.90)	-
Employee benefit expenses	-	-	(53.61)	-	(28.50)
Finance costs	(139.36)	(10,254.69)	0.00	(9,538.70)	-
Investment Manager Fees	-	(56.52)	-	(42.48)	-
Other expenses	(48.88)	(845.29)	(6.35)	(2,406.43)	(7.42)
Tax expenses	(62.75)	32.88	(2.42)	711.36	(0.20)
Re-measurement gains on defined benefit plans (net of taxes)	-	-	0.14	-	-
<b>(Loss)/Profit for the period</b>	<b>186.60</b>	<b>(2,271.60)</b>	<b>(13.21)</b>	<b>(4,435.98)</b>	<b>0.37</b>
Proportion of ownership interest	51%	51%	51%	51%	51%
<b>Share of loss /(profit)</b>	<b>95.16</b>	<b>(1,158.51)</b>	<b>(6.74)</b>	<b>(2,262.34)</b>	<b>0.19</b>

#### Note 50 : Contract Revenue

(a) The Group undertakes Engineering, Procurement and Construction business, toll collection and operation and maintenance work. The type of work in the contracts with the customers involve construction, engineering, designing etc.

#### (b) Disaggregation of revenue from contracts with customers

The Group believes that the information provided under Note 24, Revenue from Operations, is sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers and also refer note (d).

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### (c) Reconciliation of contract assets and liabilities:

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Contract assets*</b>		
<b>Due from contract customers (contract assets)</b>		
At the beginning of the reporting period	4,915.41	561.68
Cost incurred plus attributable profits on contracts-in-progress	42,717.65	39,219.37
Progress billings made towards contracts-in-progress	41,350.81	34,865.64
<b>At the end of the reporting period</b>	<b>6,282.25</b>	<b>4,915.41</b>
<b>Contract liabilities**</b>		
<b>Advance from contract customers (contract liability)</b>		
At the beginning of the reporting period	-	85.54
Revenue recognised during the year	-	85.54
Progress billings made towards contracts-in-progress	-	-
<b>At the end of the reporting period</b>	<b>-</b>	<b>-</b>

\*The contract assets primarily relate to the Group's rights to consideration for performance obligation satisfied but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional. Invoices are raised on the customers based on the agreed contractual terms and are collected as per agreed payment terms.

\*\*The contract liability primarily relates to the advances from customer towards on-going EPC projects. Revenue is recognised from the contract liability as and when such performance obligations are satisfied.

### (d) Reconciliation of revenue as per Ind AS 115

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Contracted Price	39,630.93	36,368.23
Less: Fair value adjustment as per Ind AS 115	84.58	1,224.21
<b>Revenue from Operations (as per Statement of Profit and Loss)</b>		
- Construction Revenue (road construction)	39,546.35	35,144.02
- Operation and maintenance revenue	3,171.30	4,160.89
<b>Total</b>	<b>42,717.65</b>	<b>39,304.91</b>
<b>Revenue from toll operations</b>		
Revenue total collected	20,697.57	17,668.13
Less : Payment as revenue share*	264.90	175.08
<b>Total</b>	<b>20,432.67</b>	<b>17,493.05</b>

\* Comprises double user fee from non fastag users in the current year of ₹ 264.90 million (March 31, 2022: ₹ 175.08 million)

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progress billings over the revenue recognised (cost plus attributable profits) for the contract work performed till date.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Performance obligation

The Group undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for road construction. The type of work in these contracts involve construction, engineering, designing, etc.

The Group evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Group provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Group enters into multiple contracts with the same customer, the Group evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Group recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognizes the entire estimated loss in the period the loss becomes known. Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

### (e) Revenue recognition for future related to performance obligations that are unsatisfied (or partially satisfied) :

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the broad time band for the expected time to recognize those revenues, the Group has applied the practical expedient in Ind AS 115.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in tax laws etc). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 87,071.51 million out of which 52.01% (March 31, 2022 : ₹ 1,04,594.58 million out of which 37.22%) is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

### Practical expedients:

Applying the practical expedient in paragraph 63 of Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if at contract inception it is expected that the period between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Company applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations for EPC contracts that have original expected duration of one year or less.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 51 : Disclosure on Ind-AS 116 Leases

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023 and March 31, 2022:

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
Balance at the beginning of the year	115.83	86.18
Additions/other adjustments	-	61.38
Depreciation	(39.70)	(31.73)
<b>Balance at the end of the year</b>	<b>76.13</b>	<b>115.83</b>

### The following is the break-up of current and non-current lease liabilities as of March 31, 2023 and March 31, 2022

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
lease liabilities - current	39.58	34.92
lease liabilities - non-current	45.49	85.06
<b>Total</b>	<b>85.07</b>	<b>119.98</b>

### The following is the movement in lease liabilities for the year ended March 31, 2023 and March 31, 2022

Particulars	₹ in Million	
	March 31, 2023	March 31, 2022
Opening balance	119.98	88.19
Additions and other adjustments	-	62.92
Interest charged	10.62	12.25
Payments made	(45.53)	(43.38)
<b>Closing balance</b>	<b>85.07</b>	<b>119.98</b>

Rental expense recorded for short-term leases / Variable lease/ low-value leases was ₹ 40.39 million (March 31, 2022: ₹ 32.20 million).

### Maturity analysis

	₹ in Million				Weighted average effective interest rate %
	Total	Less than 1 year	Between 1 and 3 years	More than 3 years	
<b>March 31, 2023</b>					
<b>Lease liabilities</b>	<b>85.07</b>	<b>39.58</b>	<b>45.49</b>	-	<b>10.50%</b>
March 31, 2022					
Lease liabilities	119.98	34.92	85.06	-	10.50%

### Note 52 : Intra-group turnover and profits on BOT construction contracts

The BOT contracts are governed by Service concession agreements with government authorities (grantor). Under these agreements, the operator does not own the road, but gets toll collection rights against the construction services incurred. Since the construction revenue earned by the operator is considered as exchanged with the grantor against toll collection rights, profit from such contracts is considered as realised.

Accordingly, BOT contracts awarded to group companies (operator), where work is subcontracted to fellow subsidiaries, the intra group transactions on BOT contracts and the profits arising thereon are taken as realised and not eliminated for consolidation under Ind AS 110 Consolidated financial statement

The revenue and profit in respect of these transactions during the year is ₹ 1,516.17 million (previous year: ₹ 1,250.03 million) and ₹ 450.00 million (previous year: ₹ 329.13 million) respectively.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 53 : Disclosure pursuant to Section 186 of the Companies Act, 2013

#### Investments in entities

(₹ in Million)						
Entity	Financial year ended	Opening Balance	Investment made	Sale of Investment/ capital reduction	Fair Value gain/(loss)	Closing Balance
Union Bank of India	31 March 2023	0.36	-	-	0.27	0.63
National Savings Certificates	31 March 2023	0.17	-	-	-	0.17
Indian Highways Management Company Limited	31 March 2023	5.55	-	-	-	5.55
The Kalyan Janta Sahakari Bank Limited	31 March 2023	0.50	-	-	-	0.50
The Dombivali Nagri Sahakari Bank Limited	31 March 2023	0.20	-	-	-	0.20
IRB InvIT Fund	31 March 2023	4,875.36	-	301.30	1,682.60	6,256.66
<b>Total</b>		<b>4,882.14</b>	<b>-</b>	<b>301.30</b>	<b>1,682.87</b>	<b>6,263.71</b>

#### Investments in entities - joint ventures

(₹ in Million)						
Entity	Financial year ended	Opening Balance	Investment/ Transfer made	Share of (loss)/ profit	Equity Share	Closing Balance
<b>Equity Investments</b>						
IRB Infrastructure Trust	31 March 2023	39,471.99	1,236.75	(1,159.21)	(7.82)	39,541.71
Palsit Dankuni Tollway Private Limited *	31 March 2023	-	0.09	0.70	-	0.79
Meerut Budaun Expressway Limited **	31 March 2023	-	2,798.09	95.16	-	2,893.25
MMK Toll Road Private Limited	31 March 2023	53.11	-	(6.74)	(0.68)	45.69
<b>Total</b>		<b>39,525.10</b>	<b>4,034.93</b>	<b>(1,070.09)</b>	<b>(8.50)</b>	<b>42,481.44</b>
<b>Non Convertible debentures</b>						
Meerut Budaun Expressway Limited	31 March 2023	-	707.20	-	-	707.20

#### Investments in entities

(₹ in Million)						
Entity	Financial year ended	Opening Balance	Investment made	Sale of Investment/ capital reduction	Fair Value gain/(loss)	Closing Balance
Union Bank of India	31 March 2022	0.31	-	-	0.05	0.36
National Savings Certificates	31 March 2022	0.17	-	-	-	0.17
Indian Highways Management Company Limited	31 March 2022	5.55	-	-	-	5.55
The Kalyan Janta Sahakari Bank Limited	31 March 2022	0.50	-	-	-	0.50
The Dombivali Nagri Sahakari Bank Limited	31 March 2022	0.20	-	-	-	0.20
IRB InvIT Fund	31 March 2022	4,964.35	-	333.73	244.74	4,875.36
<b>Total</b>		<b>4,971.08</b>	<b>-</b>	<b>333.73</b>	<b>244.79</b>	<b>4,882.14</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

#### Investments in entities - joint ventures

(₹ in Million)						
Entity	Financial year ended	Opening Balance	Investment made	Share of (loss)/ profit	Equity Share	Closing Balance
IRB Infrastructure Trust	31 March 2022	39,842.61	1,946.33	(2,262.35)	(54.60)	39,471.99
MMK Toll Road Private Limited	31 March 2022	52.92	-	0.19	-	53.11
<b>Total</b>		<b>39,895.53</b>	<b>1,946.33</b>	<b>(2,262.16)</b>	<b>(54.60)</b>	<b>39,525.10</b>

Management is of the view that investment in mutual fund shall not form part of disclosure under section 186 (1) read with Schedule VI of the Act since they do not fall under the definition of body corporate as defined in section 2 of Companies Act, 2013.

The Company and Group is engaged in the business of providing infrastructural facilities as per Section 186 (1) read with Schedule VI of the Companies Act 2013. Accordingly, disclosures under Section 186 of the Act in respect of loan made, investments, guarantees given or security provided is not applicable to the Company and Group.

\* The Company has executed arrangement for implementation of Palsit Dankuni Tollway Private Limited (PDTPL) through the IRB Infrastructure Trust. Accordingly, PDTPL ceases to be subsidiary on April 1, 2022 and is considered a joint venture of the Company.

\*\* Meerut Budaun Expressway Limited (MBEL), a wholly owned subsidiary of the Company, has issued equity shares of ₹ 5,332 million to GIC Affiliates (₹ 2,612.92 million) and the Company (₹ 2,719.08 million). Post this transaction, in MBEL, the Company and GIC Affiliates holds equity shares in the ratio of 51% and 49% respectively. On October 15, 2022, the parties vide Share Purchase Agreement (SPA) have gained joint control to direct the relevant activities of MBEL. Accordingly, MBEL ceases to be subsidiary on October 15, 2022 and is considered a joint venture of the Company.

#### Note 54 : Arbitration award

During the earlier year, pursuant to the measures approved by the Cabinet Committee on Economic Affairs ("CCEA") for revival of the construction sector, IRB Goa Tollway Private Limited (IRB Goa) has received from National Highways Authority of India (NHAI) ₹ 2,485.04 million against bank guarantee submitted by IRB Goa as 75% of the Arbitral Award amount pronounced by the Arbitral Tribunal. Subsequently NHAI had challenged the arbitration award in High Court. In the current financial year, the petition filed by NHAI challenging the Arbitral Award has been dismissed by the Honorable Delhi High Court and the Arbitral Award has been upheld. The amount of the Arbitral Award for Claim on termination of Concession agreement of the Project as determined by the Honorable High Court including accrued interest aggregate to ₹ 3701.79 million. Out of total claim amount ₹ 248.95 million (March 31, 2022 : ₹ 1,216.75 million) are yet to be receive from NHAI which has been shown as Trade Receivable.

#### Note 55 : Note on Board Consent for sale of Non core assets

During the year ended 31 March 2022, the board of directors has provided their consent and accorded for sale of the non-core assets in Ideal Road Builders Private Limited and Aryan Infrastructure Investments Private Limited to Mr. Virendra D. Mhaikar, the promoter of the Company.

A land measuring 13,047.80 sq. mtrs at Chandivali Village, Mumbai comprising of IRB Corporate Office and two residential properties which are owned by Ideal Road Builders Private Limited and certain equity shares of Aryan Infrastructure Investments Private Limited will be sold to the promoter at prevailing market prices on arm's length basis. The total consideration determined is not less than ₹ 4,150 million and not more than ₹ 4,200 million for both the transaction.

The Company is yet to commence the process of valuation of the underlying properties/instruments and it is unlikely that the sale will be effected in less than 12 months from the date of the Balance Sheet. Hence, the Group has not classified the non-current assets in Ideal Road Builders Private Limited and investments in certain equity shares of Aryan Infrastructure Investment Private Limited to assets held for sale as per Ind AS 105 - "Non-Current Assets Held for Sale and Discontinued Operations".

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 56 : Disclosure required for Borrowings based on security of current Assets

The Company has been sanctioned overdraft limits of ₹ 13,128.70 million, in aggregate, from banks on the basis of security of fixed deposits placed with banks. The Company is not required to file quarterly returns or statements with such banks. The Company has not been sanctioned any working capital limits from any financial institutions.

In one of the subsidiary, Cash credit facilities from banks or financial institutions has been availed on the basis of security of current assets, there is no disagreement between books of account and quarterly statements of current assets filed by the subsidiary with banks or financial institutions during the year ended March 31, 2023 and year ended March 31, 2022.

### Note 57 : Disclosure of Derivative Contracts

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. At the year end, the Company has reviewed and there are no long term contracts for which there are any material foreseeable losses.

### Note 58 : Disclosure of Transactions with struck off companies

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

### Note 59 : Other Statutory Information

- a) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- b) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- c) During the year, the Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- d) During the year ,the Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- e) The company is not declared as wilful defaulter by any bank of financial institution or other lenders.
- f) The Group does not have any approved schemes of arrangements during the year.
- g) The Group has not traded or invested in Crypto currency or Virtual Currency during the current year
- h) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 60 : Subsequent events

There are no subsequent events which require disclosure or adjustment subsequent to the balance sheet date.

### Note 61 : Other Matters

Information with regard to the additional information and other disclosures to be disclosed by way of notes to Statement of Profit and Loss as specified in Schedule III to the Companies Act, 2013 is either 'nil' or 'not applicable' to the Group for the year.

As per our report of even date.

#### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration Number : 105047W

#### Siddharth Iyer

Partner  
Membership No.: 116084

#### For Gokhale & Sathe

Chartered Accountants  
ICAI Firm Registration Number : 103264W

#### Chinmaya Deval

Partner  
Membership No.: 148652

Place : Mumbai  
Date : May 19, 2023

For and on behalf of the Board of Directors of  
**IRB Infrastructure Developers Limited**  
CIN : L65910MH1998PLC115967

#### Virendra D. Mhaiskar

Chairman & Managing Director  
DIN: 00183554

#### Sudhir Rao Hoshing

Chief Executive Officer

#### Mehul N. Patel

Company Secretary  
Membership No.: A14302

Place : Mumbai  
Date : May 19, 2023

#### Deepali V. Mhaiskar

Whole Time Director  
DIN: 00309884

#### Tushar Kawedia

Chief Financial Officer

## INDEPENDENT AUDITORS' REPORT

### To the Members of IRB Infrastructure Developers Limited

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

#### Opinion

We have jointly audited the accompanying standalone financial statements of IRB Infrastructure Developers Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

#### Basis for Opinion

We conducted our joint audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our joint audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our joint audit of the standalone financial statements for the year ended March 31, 2023. These matters were addressed in the context of our joint audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### The Key Audit Matter

##### Assessment of impairment of investment in and loans/other receivables provided to subsidiaries and joint ventures (refer Note 4, 5 and 6 to the standalone financial statements)

A) The carrying amount of the investments (including sub-debt) in subsidiaries and joint ventures held at cost less impairment as at March 31, 2023 is ₹ 81,255.66 million.

These investments are associated with significant risk in respect of valuation. Changes in business environment could also have a significant impact on the valuation. The investments are carried at cost less any impairment in value of such investments. These investments are unquoted and hence it is difficult to measure the recoverable amount. The Company performs an annual assessment of impairment for its investments at each cash generating unit (CGU) level, to identify any indicators of impairment. The recoverable amount of the CGUs which is based on the higher of the value in use or fair value less costs to sell, has been derived from discounted forecast cash flow models which requires management to make significant estimates and assumptions related to future revenue growth, concession period, operations costs, the discount rate and assessments of the status of the project and cost to complete balance work.

#### How the matter was addressed in our joint audit

##### A) Impairment of investment in subsidiaries and joint ventures.

Our audit procedures included:

1. Evaluated the design and implementation and verified, on a test check basis the operating effectiveness of key controls placed around the impairment assessment process of the recoverability of the investments made, including the estimation of future cash flows forecasts, the process by which they were produced and discount rates used.
2. Examined the key controls in place for making investments in subsidiaries / joint ventures and evidenced the Board of Directors approval obtained.
3. Assessed the net worth of subsidiaries / joint ventures on the basis of latest available financial statements. Further :
  - Compared the carrying amount of investments with the relevant subsidiaries/ joint ventures balance sheet to identify their net assets, being an approximation of their minimum recoverable amount. Where the net assets are in excess of their carrying amount, also assessed that those subsidiaries/joint ventures have historically been profit-making.

#### The Key Audit Matter

#### How the matter was addressed in our joint audit

– For the investments where the carrying amount exceeded the net asset value, comparing the carrying amount of the investment with the expected value of the business based discounted cash flow analysis.

4. Tested and Verified some of the key assumptions such as future revenue growth, concession period, operations costs, the discount rate and assessments of the status of the project and cost to complete balance work, which were most sensitive to the recoverable value of the investments.
  5. Assessed the work performed by management's as well as management's external valuation expert, including the valuation methodology and the key assumptions used. Also assessed the competence, capabilities and objectivity of the expert used by the management in the process of evaluating impairment models.
  6. Involved our internal valuation specialist, where appropriate, to evaluate the reasonability of the methodology, approach and assumptions used in the valuation carried out for determining the carrying amount of investments.
  7. Verified that the disclosures made in the Company's standalone financial statements in respect of the investment in the subsidiaries / joint ventures are adequate.
- B) The Company has extended loans to subsidiaries and joint ventures which are assessed for impairment at each year end. Financial assets, which include loans to subsidiaries and joint ventures aggregated to ₹ 18,068.05 million at March 31, 2023. The Company also has other receivable of ₹ 32,095.57 million as March 31, 2023 from a joint venture on account of transfer of 9 project companies to the said joint ventures.
- B) Impairment of loans/advances to subsidiaries and joint ventures and other receivable from joint ventures.

#### Our procedures included:

1. Evaluated the design and implementation and verified, on a test check basis the operating effectiveness of key internal controls placed around the impairment assessment process of the loans/advances to subsidiaries and joint ventures and other receivable from joint venture.
2. Examined the key controls in place for issuing new loans and evidenced the Board of Directors approval obtained.
3. Assessed Group's identification of CGU with reference to the guidance in the applicable accounting standards.
4. Assessed the net worth of subsidiaries and joint ventures based on latest available financial statements along with assessing that those subsidiaries/joint ventures have historically been profit-making and are servicing the principal and interest schedule on timely basis.
5. Obtained Company's assessment of the impairment of the loans/ advances and other receivables which includes cash flow projections over the duration of the loans/advances and other receivables. These projections are based on underlying infrastructure project cash flows which are sensitive to some of the claims to be settled with the customers.
6. Assessed the work performed by management's as well as management's external valuation expert, including the valuation methodology and the key assumptions used. Further, also assessed the competence, capabilities and objectivity of the expert used by the management in the process of evaluating impairment models.
7. Involved our internal valuation specialist, where appropriate, to evaluate the reasonability of the methodology, approach and assumptions used in the valuation carried out for determining the carrying amount of investments.
8. Obtained confirmations to evaluate the completeness and existence of loans/advances to subsidiaries and joint ventures and other receivables from joint venture as on March 31, 2023
9. Verified the classification and adequacy of disclosures of the loans/ advances and other receivables.

**The Key Audit Matter****Measurement of construction Revenue (refer Note 21 to the standalone financial statements)**

Revenue from construction contracts is recognized using percentage of completion method ("POC") as per the input method prescribed under Ind AS 115 - Revenue from contracts with customers ("Ind AS 115") where performance obligations are satisfied over time.

It represents 89.48% of the total revenue from operations of the Company.

The Company has construction contracts whose revenue recognition is dependent on a high level of judgement over the percentage of completion. It is based on their best estimate of the costs to complete, valuation of contractual variations, claims and ability to deliver the contract within the contractual time limit.

The Company's current year revenue from construction contracts and a significant amount of its expenses incurred, arise from transactions with related parties. These related parties are principally subsidiaries /joint ventures of the Company.

The Company uses an input method based on costs incurred to measure progress of the projects. Under this approach, the Company recognises revenue based on the costs incurred to date relative to the estimated total costs to complete the performance obligation. Profit is not recognised until the outcome of the contract is fairly certain.

Revenue is a key performance indicator of the Company. Accordingly, there can be a risk that the Company may influence the judgements and estimates of revenue recognition in order to achieve performance targets to meet market expectations or incentive links to performance for reporting period.

Revenues, total estimated contract costs and profit recognition may deviate significantly from original estimates based on new knowledge about cost overruns and changes in scope/ term of a construction contract.

In view of above, the above matter has been identified as a key audit matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our joint audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**How the matter was addressed in our joint audit****Measurement of construction Revenue.****Our audit procedures included:**

1. Evaluated the accounting policy for revenue recognition of the Company and assessed compliance of the policy in terms of principles enunciated under Ind AS 115.
2. Evaluated the design and implementation and verified, on a test check basis the operating effectiveness of key controls around the contract price, estimation of costs to complete and billings to customers and management's testing of these attributes.
3. Obtained and verified on test check basis the contract and other related contractual provisions including contractually agreed deliverables, termination rights, penalties for delay, etc. to understand the nature and scope of the arrangements with the customer.
4. Assessed key judgements inherent in the estimation of significant construction contract projects. It includes comparing the stage-of completion and costs to completion on significant projects using Lender's Engineer latest certificate/Monthly Progress report.
5. Assessed the estimated costs to complete, variations in contract price and contract costs and sighted underlying invoices, signed contracts/ statements of work completed for ongoing projects.
6. Obtained the Company's process for identifying related parties and recording related party transactions. Assessed Company's key controls in relation to the assessment and approval of related party transactions and examined Company's disclosures in respect of the transactions.
7. Verified on test check basis, the approvals of the Audit Committee and Board of Directors for related party transactions.
8. Verified samples of manual journals posted to revenue to identify unusual items.
9. Assessed the disclosures made by the management is in compliance of Ind AS -115

**Responsibilities of Management and Board of Directors for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors and Management are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

**Other Matter**

The standalone financial statements of the Company for the year ended March 31, 2022, were audited jointly audited by B S R & Co. LLP, Chartered Accountants and Gokhale & Sathe, Chartered Accountants, the statutory auditors of the Company whose report dated May 17, 2022 expressed an unmodified opinion on those statements.

Our opinion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law 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 (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow 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.

(e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30 to the standalone financial statements;

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.

iv. a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in

other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (iv)(a) and (iv)(b) above, contain any material mis-statement.
- v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013.

The 2nd interim dividend declared by the Company for the year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to declaration of dividend. However, the said dividend was not paid on the date of this audit report (Refer Note 13(c) to the Standalone financial statements).

- vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.
3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

For **Gokhale & Sathe**  
Chartered Accountants  
ICAI Firm Registration No.103264W

**Chinmaya Deval**  
Membership No.: 148652  
UDIN: 23148652BGSVCJ7128

Mumbai  
May 19, 2023

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

**Siddharth Iyer**  
Membership No.: 116084  
UDIN:23116084BGYONK5708

Mumbai  
May 19, 2023

## ANNEXURE A

### to the Independent Auditor's Report on even date on The Standalone Financial Statements of IRB Infrastructure Developers Limited

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained

up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the joint audit of the standalone financial statements for the year ended March 31, 2023 and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For **Gokhale & Sathe**  
Chartered Accountants  
ICAI Firm Registration No.103264W

**Chinmaya Deval**  
Membership No.: 148652  
UDIN: 23148652BGSVCJ7128

Mumbai  
May 19, 2023

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

**Siddharth Iyer**  
Membership No.: 116084  
UDIN:23116084BGYONK5708

Mumbai  
May 19, 2023

**ANNEXURE B****to Independent Auditors' report of even date on the Standalone Financial Statements of IRB Infrastructure Developers Limited for the year ended March 31, 2023****[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]**

- i. The Company had no Property, Plant and Equipment, and investment property and right-of-use assets as on March 31, 2023 nor at any time during the year ended March 31, 2023. Accordingly, the provisions stated in paragraph 3(i) (a) to (e) of the Order are not applicable to the Company.
- ii. (a) The Company does not hold any inventory. Accordingly, the provisions stated in paragraph 3(ii) (a) of the Order are not applicable to the Company.  
(b) During the year the Company has been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from Banks on the basis of security of fixed deposits. According to the information explanation provided to us, the Company is not required to file quarterly returns / statements filed with such Banks
- iii. (a) According to the information explanation provided to us, the Company has provided loans and given guarantee to any other entity. The Company has not provided any security or granted any advances in the nature of loans, secured or unsecured to any other entities during the year.  
(A) The details of such loans and guarantees to subsidiaries and Joint Ventures are as follows:

Particulars	₹ in Million	
	Guarantees	Loans
Aggregate amount during the year		
– Subsidiaries	2,191.64	859.88
– Joint Ventures	-	2,352.78
– Associates	-	-
Balance Outstanding as at balance sheet date:		
– Subsidiaries	8,658.89	133.31
– Joint Ventures	-	5,632.19

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, guarantees provided and / or grant of all loans are not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of interest free loans given, the repayment of principal has been stipulated and the repayments or receipts have been regular, except for interest free loans given in previous year of 167.90 million, 90.82 million and 219.09 million given to Yedeshi Aurangabad Tollway Limited, Solapur Yedeshi Tollway Limited and Udaipur Tollway Limited respectively which are repayable on demand, as informed to us.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loan given. Also, In case of loans repayable on demand, there are no overdue amount remaining outstanding as at the balance sheet date as the Company has not demanded such loans. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information explanation provided to us, there were no loans granted which were fallen due during the year, that have been renewed or extended and/or fresh loans granted to settle the overdue of existing loans given to existing parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment. Further, the Company has not given any advances in the nature of loans to any party during the year.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments and guarantees made.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act and we 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 records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year. The Company's operations during the year did not give rise to any liability for value added tax, service tax, excise duty, sales tax and duty of custom.  
  
Further, no undisputed statutory dues were in arrears, as at March 31, 2023 for a period of more than six months from the date they became payable.  
(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, cess or other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.  
(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.  
(c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.  
(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that the Company has used funds raised on short term basis aggregating ₹ 12,847.95 million for long-term purposes.  
(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an

any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries and joint ventures. Hence, reporting under Clause 3(ix)(f) of the order is not applicable to the Company. The Company does not hold any investment in any associate (as defined under the Act) during the year ended March 31, 2023.
- x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x) (a) of the Order are not applicable to the Company.  
(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.  
(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.  
(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

- (b) We have considered internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi) (d) of the order are not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been resignation of the statutory auditors during the year, there were no issues, objections or concerns raised by the outgoing auditors.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.
- xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For **Gokhale & Sathe**  
Chartered Accountants  
ICAI Firm Registration No.103264W

**Chinmaya Deval**  
Membership No.: 148652  
UDIN: 23148652BGSVCJ7128

Mumbai  
May 19, 2023

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

**Siddharth Iyer**  
Membership No.: 116084  
UDIN:23116084BGYONK5708

Mumbai  
May 19, 2023

## ANNEXURE C

### to the Independent Auditor's Report of even date on the Standalone Financial Statements of IRB Infrastructure Developers Limited

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of IRB Infrastructure Developers Limited on the Financial Statements for the year ended March 31, 2023]

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

##### Opinion

We have jointly audited the internal financial controls with reference to standalone financial statements of IRB Infrastructure Developers Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Act.

##### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our joint audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our joint audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

##### Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone financial statements.

##### Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

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

For **Gokhale & Sathe**  
Chartered Accountants  
ICAI Firm Registration No.103264W

**Chinmaya Deval**  
Membership No.: 148652  
UDIN: 23148652BGSVCJ7128

Mumbai  
May 19, 2023

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No.105047W

**Siddharth Iyer**  
Membership No.: 116084  
UDIN:23116084BGYONK5708

Mumbai  
May 19, 2023

**STANDALONE BALANCE SHEET**

as at March 31, 2023

		(₹ in Million)	
	Notes	As at March 31, 2023	As at March 31, 2022
<b>I ASSETS</b>			
<b>(1) Non-current assets</b>			
a. Financial assets			
i) Investments	4		
a. investment in subsidiaries and joint-ventures		81,255.66	77,813.89
b. other investments		6,262.86	4,881.29
ii) Loans	5	11,824.74	11,824.74
iii) Other financial assets	6	32,103.93	31,543.41
<b>Total non-current assets (A)</b>		<b>1,31,447.19</b>	<b>1,26,063.33</b>
<b>(2) Current assets</b>			
a. Financial assets			
i) Trade receivables	7	5,492.46	2,925.11
ii) Cash and cash equivalents	9	1,993.45	64.43
iii) Bank balance other than (ii) above	10	14,791.89	14,860.83
iv) Loans	5	6,264.69	4,863.71
v) Other financial assets	6	1,439.23	1,405.73
b. Current tax assets (net)	11	-	532.23
c. Other current assets	8	7,898.04	5,309.33
<b>Total current assets (B)</b>		<b>37,879.76</b>	<b>29,961.37</b>
<b>TOTAL ASSETS (A+B)</b>		<b>1,69,326.95</b>	<b>1,56,024.70</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I Equity</b>			
a. Equity share capital	13	6,039.00	6,039.00
b. Other equity	14	83,488.05	78,834.37
<b>Total equity (A)</b>		<b>89,527.05</b>	<b>84,873.37</b>
<b>II Liabilities</b>			
<b>(1) Non-current liabilities</b>			
a. Financial liabilities			
i) Borrowings	16	28,234.20	30,153.69
b. Provisions	19	13.31	23.65
c. Deferred tax liability (net)	12	824.68	699.86
<b>Total non-current liabilities (B)</b>		<b>29,072.19</b>	<b>30,877.20</b>
<b>(2) Current liabilities</b>			
a. Financial liabilities			
i) Borrowings	16	30,418.92	24,525.37
ii) Trade payables	17		
a) total outstanding dues of micro enterprises and small enterprises		0.58	-
b) total outstanding dues of creditors other than micro enterprises and small enterprises		12,345.17	6,647.76
iii) Other financial liabilities	18	6,253.42	7,940.80
b. Other current liabilities	20	1,695.97	1,098.22
c. Provisions	19	13.37	15.26
d. Current tax liabilities (net)	11	0.28	46.72
<b>Total current liabilities (C)</b>		<b>50,727.71</b>	<b>40,274.13</b>
<b>Total liabilities (D=B+C)</b>		<b>79,799.90</b>	<b>71,151.33</b>
<b>TOTAL EQUITY AND LIABILITIES (A+D)</b>		<b>1,69,326.95</b>	<b>1,56,024.70</b>
Summary of significant accounting policies	3		

Summary of significant accounting policies

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

As per our report of even date.

**For M S K A & Associates**Chartered Accountants  
ICAI Firm Registration Number : 105047W**Siddharth Iyer**Partner  
Membership No.: 116084**For Gokhale & Sathe**Chartered Accountants  
ICAI Firm Registration Number : 103264W**Chinmaya Deval**Partner  
Membership No.: 148652Place : Mumbai  
Date : May 19, 2023For and on behalf of the Board of Directors of  
**IRB Infrastructure Developers Limited**  
CIN : L65910MH1998PLC115967**Virendra D. Mhaikar**  
Chairman & Managing Director  
DIN: 00183554**Sudhir Rao Hoshing**  
Chief Executive Officer**Mehul N. Patel**  
Company Secretary  
Membership No.: A14302Place : Mumbai  
Date : May 19, 2023**Deepali V. Mhaikar**  
Whole Time Director  
DIN: 00309884**Tushar Kawedia**  
Chief Financial Officer**STANDALONE STATEMENT OF PROFIT AND LOSS**

for the year ended March 31, 2023

		(₹ in Million)	
	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
<b>I Income</b>			
Revenue from operations	21	41,604.39	25,996.82
Other income	22	4,028.75	4,757.19
<b>Total Income</b>		<b>45,633.14</b>	<b>30,754.01</b>
<b>II Expenses</b>			
(a) Contract and site expense	23	35,807.65	17,889.60
(b) Employee benefits expense	24	759.03	478.06
(c) Finance costs	25	3,711.54	7,201.29
(d) Other expenses	26	762.04	885.96
<b>Total Expenses</b>		<b>41,040.26</b>	<b>26,454.91</b>
<b>III Profit before tax (I-II)</b>		<b>4,592.88</b>	<b>4,299.10</b>
<b>IV Tax expenses</b>	27		
(a) Current tax		746.52	487.34
(b) Deferred tax charge		123.71	613.83
<b>Total Tax expenses</b>		<b>870.23</b>	<b>1,101.17</b>
<b>Profit for the year (III-IV)</b>		<b>3,722.65</b>	<b>3,197.93</b>
<b>V Other comprehensive income</b>	15		
<b>Item that will not be reclassified to profit or loss:</b>			
(a) Mark to market gain/(loss) on fair value measurement of investments (net of tax)		1,682.60	244.74
(b) Re-measurement gain on defined benefit plans		4.43	1.28
(c) Tax on re-measurement gain on defined benefit plans		(1.12)	(0.33)
<b>Other comprehensive income for the year</b>		<b>1,685.91</b>	<b>245.69</b>
<b>VI Total comprehensive income for the year (IV+V)</b>		<b>5,408.56</b>	<b>3,443.62</b>
<b>Earnings per equity share of ₹1.00 each</b>	29		
(a) Basic		0.62	0.77
(b) Diluted		0.62	0.77
Summary of significant accounting policies	3		

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

As per our report of even date.

**For M S K A & Associates**Chartered Accountants  
ICAI Firm Registration Number : 105047W**Siddharth Iyer**Partner  
Membership No.: 116084**For Gokhale & Sathe**Chartered Accountants  
ICAI Firm Registration Number : 103264W**Chinmaya Deval**Partner  
Membership No.: 148652Place : Mumbai  
Date : May 19, 2023For and on behalf of the Board of Directors of  
**IRB Infrastructure Developers Limited**  
CIN : L65910MH1998PLC115967**Virendra D. Mhaikar**  
Chairman & Managing Director  
DIN: 00183554**Sudhir Rao Hoshing**  
Chief Executive Officer**Mehul N. Patel**  
Company Secretary  
Membership No.: A14302Place : Mumbai  
Date : May 19, 2023**Deepali V. Mhaikar**  
Whole Time Director  
DIN: 00309884**Tushar Kawedia**  
Chief Financial Officer



## STANDALONE STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

### a. Equity Share Capital

	(₹ in Million)			
	March 31, 2023		March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
<b>Equity shares of Re. 1.00 (March 31, 2022: ₹ 10.00) each issued, subscribed and fully paid-up</b>				
At the beginning the year	60,39,00,000	6,039.00	35,14,50,000	3,514.50
Increase in Equity shares on sub-division of 1 (one) equity share of face value of ₹10 each into 10 (Ten) equity shares of face value of ₹ 1 each *	5,43,51,00,000	-	-	-
Addition during the year	-	-	25,24,50,000	2,524.50
<b>At the end of the year</b>	<b>6,03,90,00,000</b>	<b>6,039.00</b>	<b>60,39,00,000</b>	<b>6,039.00</b>

\*Pursuant to the approval of the shareholders accorded through Postal Ballot on February 06, 2023, each equity share of face value of ₹10/- per share was subdivided into 10 equity shares of face value of ₹1/- per share.

### b. Other Equity

	(₹ in Million)				
	Reserves and surplus			Items of Other comprehensive income(OCI)	Total
	Securities Premium	General reserve	Retained earnings		
<b>As at April 1, 2022</b>	64,402.50	743.16	16,891.94	(3,203.23)	78,834.37
Profit for the year	-	-	3,722.65	-	3,722.65
Other comprehensive income for the year	-	-	4.43	1,682.60	1,687.03
Deferred tax on defined benefit plans during the year	-	-	(1.12)	-	(1.12)
<b>Total comprehensive income for the year</b>	-	-	<b>3,725.96</b>	<b>1,682.60</b>	<b>5,408.56</b>
Dividend on equity shares (refer note 37)	-	-	(754.88)	-	(754.88)
<b>As at 31 March 2023</b>	<b>64,402.50</b>	<b>743.16</b>	<b>19,863.02</b>	<b>(1,520.63)</b>	<b>83,488.05</b>
<b>As at April 1, 2021</b>	14,060.09	743.16	13,693.06	(3,447.97)	25,048.34
Profit for the year	-	-	3,197.93	-	3,197.93
Addition during the year on fresh issue of equity shares (net of expense)	50,342.41	-	-	-	50,342.41
Other comprehensive income for the year	-	-	1.28	244.74	246.02
Deferred tax on defined benefit plans during the year	-	-	(0.33)	-	(0.33)
<b>Total comprehensive income for the year</b>	<b>50,342.41</b>	-	<b>3,198.88</b>	<b>244.74</b>	<b>53,786.03</b>
<b>As at 31 March 2022</b>	<b>64,402.50</b>	<b>743.16</b>	<b>16,891.94</b>	<b>(3,203.23)</b>	<b>78,834.37</b>

Summary of significant accounting policies (refer note 3)

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

As per our report of even date.

#### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration Number : 105047W

#### Siddharth Iyer

Partner  
Membership No.: 116084

#### For Gokhale & Sathe

Chartered Accountants  
ICAI Firm Registration Number : 103264W

#### Chinmaya Deval

Partner  
Membership No.: 148652

Place : Mumbai  
Date : May 19, 2023

For and on behalf of the Board of Directors of  
**IRB Infrastructure Developers Limited**  
CIN : L65910MH1998PLC115967

#### Virendra D. Mhaiskar

Chairman & Managing Director  
DIN: 00183554

#### Sudhir Rao Hoshing

Chief Executive Officer

#### Mehul N. Patel

Company Secretary  
Membership No.: A14302

Place : Mumbai  
Date : May 19, 2023

#### Deepali V. Mhaiskar

Whole Time Director  
DIN: 00309884

#### Tushar Kawedia

Chief Financial Officer

## STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Cash flows from operating activities</b>		
Profit before tax	<b>4,592.88</b>	<b>4,299.10</b>
<b>Adjustments :</b>		
Net gain on sale of current investments	-	(35.35)
Net gain on sale of subsidiary	(509.46)	-
Gain on current investments at fair value through profit or loss	(0.26)	(0.04)
Fair value adjustment on receipt of interest free long-term loan	(182.54)	(427.01)
Gain on fair value measurement of other receivables	(560.52)	(2,161.32)
Finance costs	3,711.54	7,201.29
Provision no longer required written back	(0.69)	(42.82)
Allowance for credit impaired	-	64.10
Interest income	(2,020.40)	(2,084.32)
Dividend income from long term investment in subsidiaries	(754.88)	-
	<b>4,275.67</b>	<b>6,813.63</b>
<b>Movement in working capital :</b>		
Decrease in loans	5.92	39.60
(Increase) in trade receivables	(2,567.35)	(1,217.28)
(Increase) in other financial assets	(970.80)	(24.50)
(Increase) in other assets	(2,588.71)	(2,649.66)
Increase/(Decrease) in trade payables	5,698.68	(2,456.43)
(Decrease) in other financial liabilities	(1,681.97)	(20.15)
(Decrease)/Increase in provisions	(7.81)	1.36
Increase/(Decrease) in other liabilities	597.75	(2,970.51)
<b>Cash generated from / (used in) operations</b>	<b>2,761.38</b>	<b>(2,483.94)</b>
Taxes paid (net)	(260.73)	(421.04)
<b>Net cash flows generated from / (used in) operating activities</b>	<b>(A) 2,500.65</b>	<b>(2,904.98)</b>
<b>Cash flows from investing activities</b>		
Investment in subsidiaries	(1,224.24)	(4,909.86)
Investment in joint venture	(4,663.03)	(1,946.32)
Consideration received on sale of subsidiary	2,954.96	-
Proceeds/redemption from sale of non-current investments	301.30	333.73
Investment in current investments	-	(23,998.81)
Proceeds from sale of current investments	-	24,674.49
Investment in bank deposits (having original maturity of more than three months)	(3,628.89)	(2,542.02)
Proceeds from maturity of bank deposits (having original maturity of more than three months)	3,697.18	2,490.42
Loan given to joint ventures	(2,352.78)	(4,759.00)
Loan repaid by joint ventures	328.51	4,828.83
Loan given to subsidiaries	(859.88)	(1,105.43)
Repayments received for loans given to subsidiaries	1,477.25	3,132.60
Interest received	2,957.70	1,116.31
Dividend received from subsidiaries	754.88	-
<b>Net cash flows (used in) investing activities</b>	<b>(B) (257.04)</b>	<b>(2,685.06)</b>
<b>Cash flows from financing activities</b>		
Proceeds from allotment of equity shares (net of expenses)	-	52,866.91
Repayment of long-term borrowings	-	(12,665.56)
Proceeds from issue of non-convertible debentures	-	3,500.00
Repayment of non-convertible debentures	(913.70)	(16,210.00)
Proceeds/(Repayment) of current borrowings (net)	3,884.10	(6,025.40)
Loan taken from subsidiaries (long-term)	960.00	1,636.00
Loan taken from subsidiaries (short-term)	22,825.67	27,562.50
Loan repayment to subsidiary companies (short-term)	(23,132.13)	(43,659.94)
Finance cost paid	(3,183.65)	(7,128.47)
Dividend paid on equity shares	(754.88)	-
<b>Net cash flows used in financing activities</b>	<b>(C) (314.59)</b>	<b>(123.96)</b>

## STANDALONE STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

	(₹ in Million)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>1,929.02</b>	<b>(5,714.00)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>64.43</b>	<b>5,778.43</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,993.45</b>	<b>64.43</b>
Components of Cash and Cash Equivalents		
Balances with Banks		
- On current accounts	1,982.63	4.86
- On deposit accounts	2.57	51.33
Cash on hand	8.25	8.24
<b>Total Cash and cash equivalents (refer note 9)</b>	<b>1,993.45</b>	<b>64.43</b>
Summary of significant accounting policies (refer note 3)		

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

Notes :

- All figures in bracket are outflow.
- Taxes paid (net) are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- The standalone cash flow statement has been prepared under Indirect Method as per Ind AS 7 "Statement of Cash Flows."
- The above standalone cash flows include ₹ 34.00 millions (March 31, 2022 : ₹ 50.00 million) towards Corporate Social Responsibility (CSR) activities (refer note 39).
- Debt reconciliation statement in accordance with Ind AS 7

	(₹ in Million)				
	April 1, 2022	Cash Flows		Non cash changes	March 31, 2023
		Receipts	Payments		
Current borrowings	24,525.37	26,709.77	(23,132.13)	2,315.91	30,418.92
Non-current borrowings	30,153.69	960.00	(913.70)	(1,965.79)	28,234.20
<b>Total</b>	<b>54,679.06</b>	<b>27,669.77</b>	<b>(24,045.83)</b>	<b>350.12</b>	<b>58,653.12</b>

	(₹ in Million)				
	April 1, 2021	Cash Flows		Non cash changes	March 31, 2022
		Receipts	Payments		
Current borrowings	48,876.11	27,562.50	(49,685.34)	2,227.90	24,525.37
Non-current borrowings	52,024.32	5,136.00	(28,875.56)	(1,868.93)	30,153.69
<b>Total</b>	<b>1,00,900.43</b>	<b>32,698.50</b>	<b>(78,560.90)</b>	<b>358.97</b>	<b>54,679.06</b>

As per our report of even date.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration Number : 105047W

**Siddharth Iyer**  
Partner  
Membership No.: 116084

**For Gokhale & Sathe**  
Chartered Accountants  
ICAI Firm Registration Number : 103264W

**Chinmaya Deval**  
Partner  
Membership No.: 148652

Place : Mumbai  
Date : May 19, 2023

For and on behalf of the Board of Directors of  
**IRB Infrastructure Developers Limited**  
CIN : L65910MH1998PLC115967

**Virendra D. Mhaiskar**  
Chairman & Managing Director  
DIN: 00183554

**Sudhir Rao Hoshing**  
Chief Executive Officer

**Mehul N. Patel**  
Company Secretary  
Membership No.: A14302

Place : Mumbai  
Date : May 19, 2023

**Deepali V. Mhaiskar**  
Whole Time Director  
DIN: 00309884

**Tushar Kawedia**  
Chief Financial Officer

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### 1. Corporate Information

IRB Infrastructure Developers Limited ("the Company") is a public company domiciled in India and is incorporated under the provision of the Companies Act applicable in India. Its equity shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The registered office is located at Office No. 1101, 11th floor, Hiranandani Knowledge Park, Technology Street, Hill Side Avenue, Opp. Hiranandani Hospital, Powai, Mumbai – 400 076, Maharashtra. The Company is engaged in carrying out construction works in accordance with EPC contract and providing operation and maintenance services mainly with its subsidiaries and joint ventures.

### 2. Basis of preparation

#### A. Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The standalone financial statements were authorised for issue by the Company's Board of Directors on May 19, 2023.

Details of the Company's accounting policies are included in Note 3. The accounting policies set out below have been applied consistently to the years presented in the standalone financial statements.

#### B. Functional and presentation currency

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

#### C. Basis of measurement

The standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities and contingent consideration receivable (refer note 3.13 under accounting policies regarding financial instruments) which have been measured at fair value.

### 3. Summary of significant accounting policies

#### 3.01 Current versus non-current classification

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

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

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

All other assets are classified as non-current.

All liability is current when:

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

The Company classifies all other liabilities as non-current.

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

#### 3.02 Foreign currency translations

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

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

### 3.03 Fair value measurement

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Fair value measurement is given in Note 33.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

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

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

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

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

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

On an annual basis, the Management presents the valuation results to the Audit Committee and the Company's independent auditors. This includes a detailed discussion of the major assumptions used in the valuations.

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

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

Disclosures for valuation methods, significant estimates and assumptions (note 3.04)

Financial instruments (including those carried at amortised cost) (note 4,5,6,7,9,10,16,17 and 18)

Quantitative disclosure of fair value measurement hierarchy and Fair value of contingent consideration receivable (note 33)

### 3.04 Use of estimates and judgements

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

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Estimates and assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and future periods are affected. The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur. In the following items there is significant judgments and estimates which are key in preparation of standalone financial statements:

Fair value measurement of financial instruments and contingent consideration receivable (Refer note 33 and 3.14)

Revenue recognition based on percentage of completion (Refer note 38)

Impairment of investments/loans given to subsidiaries (Refer note 3.09 and 3.13)

### 3.05 Revenue recognition

The Company has applied the following accounting policy for revenue recognition:

Revenue from contracts with customers:

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

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

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

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

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate

the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

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

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

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

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. The Company assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent.

For contracts where the Company bears certain indirect tax as its own expense, and are effectively acting as principals and collecting the indirect taxes on their own account, revenue from operations is presented as gross of such indirect taxes. In cases, where the total consideration is exclusive of certain indirect taxes and other duties, the Company is acting as an agent and revenue from operations is accounted net of indirect taxes.

### Contract revenue (construction contracts)

Revenue from works contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Any variations in contract work, claims, and incentive payments are included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company.

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

Revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of revenue has been reflected as unearned revenue.

### Significant financing component

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

### Operation and maintenance contracts

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

### Interest income

Financial instruments which are measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest

rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

### Dividends

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

### Contract balances

#### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Company performs its obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognised for the earned consideration that is conditional. The contract assets are transferred to receivables when the rights become unconditional.

#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

#### Contract liabilities

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

## 3.06 Taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the country as per the applicable taxation laws where the Company operates and generates taxable income.

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is recognised in respect of temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. The Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised, except

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other

comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

On March 30, 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. The notification clarifies the recognition and measurement requirements when there is uncertainty over income tax treatments. In assessing the uncertainty, an entity shall consider whether it is probable that a taxation authority will accept the uncertain tax treatment. This notification is effective for annual reporting periods beginning on or after April 1, 2019. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments.

## 3.07 Borrowing costs

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

## 3.08 Contingent Liabilities and Contingent assets

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

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

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

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### 3.09 Impairment of financial assets (other than at fair value)

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

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### 3.10 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

### 3.11 Investments in subsidiaries and joint ventures

The Company accounts for the investments in equity shares of subsidiaries and joint ventures at cost in accordance with Ind AS 27- Separate Financial Statements. The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

### 3.12 Retirement and other employee benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences, post-retirement medical benefits and other terminal benefits.

#### Short-term employee benefits

Wages and salaries, including non-monetary benefits that are expected to be settled within 12 months after the end

of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

#### i. Defined contribution plan

Retirement benefits in the form of provident fund are a defined contribution scheme and the contributions are charged to the standalone statement of profit and loss of the period when the employee renders related services. There are no other obligations other than the contribution payable to the respective authorities.

#### ii. Defined benefit plan

The Company has maintained a Company Gratuity Scheme with M/s. Life Insurance Corporation of India (LIC) managed by a separate Trust, towards which it annually contributes a sum based on the actuarial valuation made by M/s. LIC. Gratuity liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

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

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

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

The Company recognises the following changes in the net defined benefit obligation as an employee benefit expense in the statement of profit and loss:

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

#### Compensated absences

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

#### Other long-term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

### 3.13 Financial instruments

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

#### Financial assets

##### Initial recognition and measurement

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

##### On initial recognition, a financial asset is classified as measured of

- amortised cost
- FVOCI - Debt instruments
- FVOCI - equity instruments
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period, the Company changes its business model for managing financial assets.

##### Debt instruments at amortised cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

This category is the most relevant to the Company.

##### Debt instrument at FVTOCI

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

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value.

Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

##### Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

##### Equity investment

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments,

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

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

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

### Derecognition

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

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

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

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

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

### Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- Financial assets that are debt instruments and are measured as at FVTOCI
- Lease receivables under Ind AS 17
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.
- Loan commitments which are not measured as at FVTPL
- Financial guarantee contracts which are not measured as at FVTPL

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

- Trade receivables and
- Other receivables

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

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

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

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

EIR. When estimating the cash flows, an entity is required to consider:

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

### Financial liabilities

#### Initial recognition and measurement

Financial liabilities are measured at amortised cost using the effective interest method includes loans and borrowings, trade payables and other payables.

#### Subsequent measurement

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

#### Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For more information refer Note 16.

### Derecognition

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

### Offsetting of financial instruments

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

### 3.14 Contingent consideration receivable

Contingent consideration is classified as an asset and is measured at fair value on the transaction date. Subsequently, contingent consideration is remeasured to fair value at each reporting date, with changes included in the statement of profit and loss.

### 3.15 Cash and cash equivalents

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

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

### 3.16 Assets held for sale:

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. These are measured at the lower of their carrying amount and fair value less costs to sale. Costs to sell are the incremental costs directly attributable to the disposal of assets (disposal group), excluding finance cost and income tax expenses.

### 3.17 Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

shareholders by the weighted average number of equity shares outstanding during the period.

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

### 3.18 Lease

The Company has no leases or any contract containing lease and accordingly, no disclosure has been made on the same.

### 3.19 Impairment of non-financial assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Corporation estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

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

### 3.20 Segment information

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

#### Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

The Company is engaged in "Road Infrastructure Projects" which in the context of Ind AS 108 - Operating Segments is considered as the only segment. The Company's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

As per IND AS-108, if a financial report contains both the consolidated financial statements of a parent that is within the scope of Ind AS-108 as well as the parent's separate financial statements, segment information is required only in the consolidated financial statements. Accordingly, information required to be presented under IND AS-108 has been given in the consolidated financial statements.

### 3.21 Recent Accounting Pronouncement:

(i) **Disclosure of Accounting Policies** - Amendment to Ind AS 1 Presentation of financial statements

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

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

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

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

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

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

comparative period for all deductible and taxable temporary differences associated with:

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

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

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

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

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Financial assets

#### Note 4 : Investments

Particulars	Face value	No. of Shares	(₹ in Million)	
			As at March 31, 2023	As at March 31, 2022
<b>A) Non-Current Investments #</b>				
<b>a) Investments in equity instruments (unquoted) (at cost)</b>				
<b>Investments in subsidiaries</b>				
Ideal Road Builders Private Limited	100	61,00,000	610.87	610.87
Mhaiskar Infrastructure Private Limited *	10	7,77,00,000	777.61	777.61
Modern Road Makers Private Limited	100	31,09,500	311.73	311.73
Aryan Toll Road Private Limited	100	44,99,753	450.88	450.88
ATR Infrastructure Private Limited	100	51,74,753	525.41	525.41
IRB MP Expressway Private Limited *	100	3,59,50,000	3,106.61	3,106.61
IRB Infrastructure Private Limited	100	10,00,000	100.14	100.14
Thane Ghodbunder Toll Road Private Limited	10	2,22,00,000	222.08	222.08
Aryan Infrastructure Investments Private Limited	10	17,32,28,300	3,441.60	3,441.60
IRB Kolhapur Integrated Road Development Company Private Limited	10	13,36,01,000	1,336.01	1,336.01
Aryan Hospitality Private Limited	10	9,000	0.09	0.09
IRB Sindhudurg Airport Private Limited	10	10,000	0.10	0.10
IRB Goa Tollway Private Limited	10	3,11,40,000	311.40	311.40
IRB Ahmedabad Vadodara Super Express Tollway Private Limited	10	37,80,00,000	3,780.00	3,780.00
GE1 Expressway Private Limited	10	67,567	0.67	0.67
VK1 Expressway Private Limited	10	-	-	12,25,00,000
IRB PS Highway Private Limited	10	37,000	0.37	37,000
VM7 Expressway Private Limited	10	6,45,15,000	645.15	6,45,15,000
Palsit Dankuni Tollway Private Limited	10	-	-	50,000
Pathankot Mandi Highway Private Limited	10	3,16,71,000	316.71	50,000
Chittoor Thachur Highway Private Limited	10	2,95,90,200	295.90	50,000
Meerut Budaun Expressway Limited	10	-	-	50,000
Samakhiali Tollway Private Limited	10	50,000	0.50	-
			<b>16,233.83</b>	<b>16,847.72</b>
<b>b) Deemed Investments</b>				
Subordinated debt to subsidiaries (interest free) (refer note 41)			16,714.87	17,323.24
			<b>16,714.87</b>	<b>17,323.24</b>
<b>Total investment in subsidiaries A=a+b</b>			<b>32,948.70</b>	<b>34,170.96</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	Face value	No. of Shares	(₹ in Million)	
			As at March 31, 2023	As at March 31, 2022
<b>c) Investments in joint-ventures (fully paid up)</b>				
<b>Investments in equity instruments (unquoted) (at cost)</b>				
MMK Toll Road Private Limited	10	35,70,000	35.70	35,70,000
Palsit Dankuni Tollway Private Limited	10	50,000	0.50	-
Meerut Budaun Expressway Limited	10	27,19,58,000	2,719.58	-
<b>Other Investments (unquoted) (at cost)</b>				
IRB Infrastructure Trust *	100	44,84,39,840	44,843.98	43,60,72,332
<b>Investments in non convertible debentures (unquoted) (at cost)</b>				
Meerut Budaun Expressway Limited	1,00,000	7,072	707.20	-
<b>Total investment in joint-ventures B</b>			<b>48,306.96</b>	<b>43,642.93</b>
<b>Total investment in subsidiaries and joint-ventures C=A+B</b>			<b>81,255.66</b>	<b>77,813.89</b>
<b>Other investments</b>				
<b>d) Investment in equity instruments (quoted)</b>				
<b>Fair Value Through Profit and Loss (FVTPL)</b>				
- Union Bank of India	10	9,177	0.63	9,177
			<b>0.63</b>	<b>0.36</b>
<b>e) Investments in Government or trust securities (unquoted) (at amortised cost)</b>				
National Savings Certificates			0.02	0.02
			<b>0.02</b>	<b>0.02</b>
<b>f) Other equity investments (FVTOCI) (unquoted)</b>				
Indian Highways Management Company Limited	10	5,55,370	5.55	5,55,370
			<b>5.55</b>	<b>5.55</b>
<b>g) Other investments (FVTOCI) (quoted)</b>				
IRB InvIT Fund	102 <sup>^</sup>	9,27,05,000	6,256.66	9,27,05,000
			<b>6,256.66</b>	<b>4,875.36</b>
<b>Total other investments D=d+e+f+g</b>			<b>6,262.86</b>	<b>4,881.29</b>
<b>Total (a to g)</b>			<b>87,518.52</b>	<b>82,695.18</b>
Aggregate book value of quoted investments			7,778.33	8,079.60
Market value of quoted investments			6,257.29	4,875.72
Aggregate amount of unquoted investments (including subordinated debt)			81,261.23	77,819.46
Aggregate amount of impairment in value of investments			Nil	Nil

All investments in shares/units are fully paid-up.

<sup>^</sup> Issue Price

# In accordance with Section 186 of the Companies Act read with the Companies (Meeting of Board and its powers) Rules, 2014, the details of investments made by the Company as at the reporting dates are stated above. Refer note 40, for details of additions and deletions during the year ended 31 March 2023.

\* Refer note 16 for details of security against non-convertible debentures and borrowings from banks and financial institution.



## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Financial assets

#### Note 5 : Loans

(Unsecured, considered good, unless otherwise stated)

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Loans to related parties (interest bearing) (refer note 41 and 43)		
- Subordinated debt	11,824.74	11,824.74
<b>Total</b>	<b>11,824.74</b>	<b>11,824.74</b>
<b>Current</b>		
Loans to related parties (interest free) (refer note 41 and 43)	6,243.31	4,836.41
Others loans		
- Loans to employees	21.38	27.30
<b>Total</b>	<b>6,264.69</b>	<b>4,863.71</b>

Refer note 16 for details of security against non-convertible debentures and borrowings from banks and financial institution.

There are no non-current and current loans which have significant increase in credit risk.

#### Note 6 : Others financial asset

(Unsecured, considered good, unless otherwise stated)

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Receivable from related parties (refer note 33 and 41)		
- Deferred consideration towards sale of subsidiaries	32,095.57	31,535.05
Security and other deposits *	8.36	8.36
<b>Total</b>	<b>32,103.93</b>	<b>31,543.41</b>
<b>Current</b>		
Receivable from related parties (refer note 41)		
- Others (receivable towards reimbursement of expenses)	1,227.00	291.64
Interest receivable from banks	60.88	4.96
Interest accrued on long term loans to subsidiaries (refer note 41)	-	993.22
Security and other deposits	2.37	2.37
Other receivable (receivable towards reimbursement of expenses)	34.22	-
Other receivable (from authority and contractor) considered good	114.76	113.54
Other receivable (from authority and contractor) credit impaired	64.10	64.10
Less: Allowance for credit impairment	(64.10)	(64.10)
<b>Total</b>	<b>1,439.23</b>	<b>1,405.73</b>

Refer note 16 for details of security against non-convertible debentures and borrowings from banks and financial institution.

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

\* The security deposit paid is against a legal matter which has not been discounted as it is not practicable for the Company to estimate the timing of the realisation of the amount and cash inflows, if any, pending resolution.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 7 : Trade receivables

(Unsecured, considered good, unless otherwise stated)

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
Trade receivables - others	1,006.11	39.03
Trade receivables - related parties (refer note 41)	4,486.35	2,886.08
<b>Total</b>	<b>5,492.46</b>	<b>2,925.11</b>

- Trade receivables are non-interest bearing, undisputed and are generally on terms of 30 to 90 days.
- There are no trade or other receivables which are either due from directors or other officers of the Company either severally or jointly with any other person.  
Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Refer note 16 for details of security against non-convertible debentures and borrowings from banks and financial institution.
- The Company has not identified any credit impairment loss as at March 31, 2023 and March 31, 2022
- Refer note 41 for transactions with related parties.
- Refer to note 34 for explanations on the Company's financial risk management processes and trade receivable ageing.

### Note 8 : Other current assets

(Unsecured, considered good, unless otherwise stated)

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
Due from related parties (refer note 41)		
- Mobilisation advances to related parties	16.38	893.80
- Contract assets	7,794.97	4,409.90
Other advances		
- Advance given to suppliers	0.12	0.86
Duties and taxes receivable	26.62	2.33
Prepaid expenses	59.95	2.44
<b>Total</b>	<b>7,898.04</b>	<b>5,309.33</b>

Refer note 16 for details of security against non-convertible debentures and borrowings from banks and financial institution.

There are no receivables which are either due from directors or other officers of the Company either severally or jointly with any other person.

Nor any other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 9 : Cash and cash equivalents

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
Balances with Banks in :		
- Current accounts	1,982.63	4.86
- Deposits with banks (maturity less than 3 months)	2.57	51.33
Cash on hand	8.25	8.24
<b>Total</b>	<b>1,993.45</b>	<b>64.43</b>

Refer note 16 for details of security against non-convertible debentures and borrowings from banks and financial institution.

### Note 10 : Bank balance other than cash and cash equivalents

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
Debt service reserve account with banks and financial institutions*		
- Maturity more than 3 months but less than 12 month	1,298.51	1,303.11
Deposits with banks -		
Maturity more than 3 months but less than 12 months **	13,150.56	13,158.95
Margin money deposit against bank guarantees***		
Maturity more than 3 months but less than 12 months	260.06	251.85
Maturity more than 12 months	75.60	139.12
Balances with Banks in :		
- Unpaid dividends	7.16	7.80
<b>Total</b>	<b>14,791.89</b>	<b>14,860.83</b>

\* The bank deposits are marked lien/pledged against the long-term secured loans as per term loan agreement with lenders.

\*\* The time deposits with bank to the extent of ₹ 13,150.00 million (March 31, 2022 : ₹ 13,150.00 million) maintained by the Company with banks are held against overdraft facility .

\*\*\* Margin money deposits are earmarked against bank guarantees taken by the Company and for subsidiaries of the Company. The deposits to the extent of ₹ 335.66 million (March 31, 2022: 390.97 million) maintained by the Company with bank includes time deposits, which are held as margin money against bank guarantees, are considered as current portion under the head "Bank balances other than cash and cash equivalents" since the same are encashable by the lenders in the event of default by the Company, if any.

Current deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective current deposit rates. Other time deposits earn interest at the rate of 3.00% p.a. to 8.00% p.a. (March 31, 2022 : 3.00% p.a. to 6.00% p.a.)

Refer note 16 for details of security against non-convertible debentures and borrowings from banks and financial institution.

For the purpose of the Statement of cash flows, cash and cash equivalents comprises of the following:

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
- On current accounts	1,982.63	4.86
- Deposits with banks (maturity less than 3 months)	2.57	51.33
Cash on hand	8.25	8.24
<b>Total</b>	<b>1,993.45</b>	<b>64.43</b>

Cash and cash equivalents excludes bank overdraft of ₹ 7,250.47 million (March 31, 2022: ₹ 3,366.37 million).

Against the said overdraft facility, the Company has deposits to the extent of ₹ 13,150.00 million (March 31, 2022: ₹ 13,150.00 million) included under Bank balances other than cash and cash equivalents.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 11 : Current tax assets/liabilities (net)

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Current tax assets (net)</b>		
Advance income-tax (net of provisions) [net of provisions of ₹ Nil (March 31, 2022 : ₹ 47.64 million)]	-	532.23
	-	<b>532.23</b>
<b>Current tax liabilities (net)</b>		
Provision for income-tax (net of advance tax) [net of advance tax of ₹ 746.31 million (March 31, 2022 : ₹ 448.44 million)]	0.28	46.72
<b>Total</b>	<b>0.28</b>	<b>46.72</b>

### Note 12 : Deferred tax assets/(liability) (net)

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax liabilities</b>		
- Fair valuation on long-term unsecured loans (interest free)	(147.13)	(165.93)
- Fair valuation on deferred consideration towards sale of subsidiaries	(684.31)	(543.24)
<b>Total (A)</b>	<b>(831.44)</b>	<b>(709.17)</b>
<b>Deferred tax assets</b>		
- Fair valuation on current investments	0.04	0.17
- Leave encashment	3.37	-
- Gratuity	3.35	9.14
<b>Total (B)</b>	<b>6.76</b>	<b>9.31</b>
<b>Deferred tax assets/(liabilities) (net) (A-B) (refer note 27)</b>	<b>(824.68)</b>	<b>(699.86)</b>

### Note 13: Equity share capital

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Authorised share capital</b>		
6,150,000,000 equity shares of ₹1.00 each (March 31, 2022 : 615,000,000 equity shares of ₹10.00 each)	6,150.00	6,150.00
<b>Total authorised share capital</b>	<b>6,150.00</b>	<b>6,150.00</b>
<b>Issued, subscribed and fully paid-up shares of Re. 1.00 each (March 31, 2022 : ₹ 10.00 each)</b>		
At the beginning of the year 603,900,000 shares (March 31, 2022 : 351,450,000 shares)	6,039.00	3,514.50
Addition during the year - Nil (March 31, 2022 : 252,450,000 shares)	-	2,524.50
<b>At the end of the year 6,039,000,000 shares (March 31, 2022 : 603,900,000 shares)</b>	<b>6,039.00</b>	<b>6,039.00</b>

#### a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year Equity shares of Re. 1.00 (March 31, 2022: ₹ 10.00) each issued, subscribed and fully paid-up

Particulars	(₹ in Million)			
	March 31, 2023		March 31, 2022	
	No. of shares	Amounts in ₹	No. of shares	Amounts in ₹
Balance as at April 01, 2022	60,39,00,000	6,039.00	35,14,50,000	3,514.50
Increase in Equity shares on sub-division of 1 (one) equity share of face value of ₹10 each into 10 (Ten) equity shares of face value of ₹1 each*	5,43,51,00,000	-	-	-
Addition during the year	-	-	25,24,50,000	2,524.50
<b>Balance as at March 31, 2023</b>	<b>6,03,90,00,000</b>	<b>6,039.00</b>	<b>60,39,00,000</b>	<b>6,039.00</b>

\*Pursuant to the approval of the shareholders accorded through Postal Ballot on February 06, 2023, each equity share of face value of ₹ 10/- per share was subdivided into 10 equity shares of face value of ₹ 1/- per share.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

Name of Shareholders	March 31, 2023		March 31, 2022	
	No. of shares	% of total share	No. of shares	% of total share
IRB Holding Private Limited	1,99,41,50,150	33.02%	19,94,15,015	33.02%
Bricklayers Investment Pte Ltd *	1,02,29,07,880	16.94%	10,22,90,788	16.94%
Cintra INR Investments BV *	1,50,15,92,120	24.86%	15,01,59,212	24.86%

### Shareholding of promoter and promoter entity

Name of Shareholders	March 31, 2023		March 31, 2022		% Change during the year
	No. of shares	% of total share	No. of shares	% of total share	
IRB Holding Private Limited	1,99,41,50,150	33.02%	19,94,15,015	33.02%	0.00%
Virendra D. Mhaskar	5,06,39,850	0.84%	39,83,985	0.66%	0.18%
Virendra D. Mhaskar HUF	10,000	0.00%	1,000	0.00%	0.00%
Deepali Virendra Mhaskar	1,61,44,000	0.27%	16,14,400	0.27%	0.00%

### Shareholding of promoter and promoter entity

Name of Shareholders	March 31, 2022		March 31, 2021		% Change during the year*
	No. of shares	% of total share	No. of shares	% of total share	
IRB Holding Private Limited	19,94,15,015	33.02%	19,94,15,015	56.74%	(23.72%)
Virendra D. Mhaskar	39,83,985	0.66%	39,83,985	1.13%	(0.47%)
Virendra D. Mhaskar HUF	1,000	0.00%	1,000	0.00%	0.00%
Deepali Virendra Mhaskar	16,14,400	0.27%	16,14,400	0.46%	(0.19%)

\*During the previous year, the Company had allotted shares through preferential allotment to (i) Bricklayers Investment Pte Ltd - 16.94% shares and received ₹ 21,664.17 million and (ii) Cintra INR Investments BV - 24.86% shares and received ₹ 31,802.22 million aggregating ₹ 53,466.39 million as approved by the shareholders in Extra-Ordinary General Meeting conducted on November 20, 2021.

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

There were no shares issued for consideration other than cash during the period of 5 years immediately preceding the reporting date.

### c. Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Re.1.00 per share post effect of share split (March 31, 2022 : ₹ 10.00 per share). Each holder of equity shares is entitled to one vote per share.

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

During the year ended March 31, 2023, the amount of per share dividend recognised as distributions to equity shareholders is Re. 0.125 (March 31, 2022 : ₹ Nil).

The Board of Directors at its meeting held on May 19, 2023 has declared 2nd interim dividend of ₹ 0.075 per equity share.

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

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 14: Other Equity

Particulars	₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>a. Securities premium</b>		
At the beginning of the year	64,402.50	14,060.09
Addition during the year on fresh issue of equity shares (net of expenses)	-	50,342.41
<b>At the end of the year</b>	<b>64,402.50</b>	<b>64,402.50</b>
<b>b. Other reserves</b>		
<b>1. General reserve</b>		
At the beginning and at the end of the year	<b>743.16</b>	<b>743.16</b>
<b>2. Retained earnings</b>		
At the beginning of the year	16,891.94	13,693.06
Profit for the year	3,722.65	3,197.93
Re-measurement (loss) on defined benefit plans	4.43	1.28
Deferred tax on defined benefit plans during the year	(1.12)	(0.33)
Less : Appropriations		
Interim equity dividend including tax ₹ 0.125 per share (March 31, 2022 : ₹ Nil per share)	(754.88)	-
<b>At the end of the year</b>	<b>19,863.02</b>	<b>16,891.94</b>
<b>3. Other comprehensive income /(loss)</b>		
<b>Mark to market (loss) on fair value measurement of investments</b>		
At the beginning of the year	(3,203.23)	(3,447.97)
Movement during the year	1,682.60	244.74
<b>Total other comprehensive (loss)</b>	<b>(1,520.63)</b>	<b>(3,203.23)</b>
<b>Total other reserves (1+2+3)</b>	<b>19,085.55</b>	<b>14,431.87</b>
<b>Total Other Equity (a+b)</b>	<b>83,488.05</b>	<b>78,834.37</b>

Nature and purpose of reserves

- Securities Premium** - Securities Premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.
- General Reserve** - The Company had transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.
- Retained Earnings**: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- Equity investments through OCI**: This represents the cumulative gains or losses arising on investments in equity instruments / units of funds designated at fair value through other comprehensive income.
- Remeasurements of defined benefit liability / (asset) through OCI** : Remeasurements of defined benefit liability / (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income). Below is the movement of remeasurement of defined benefit liability /(assets) :

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Re-measurement (loss) on defined benefit plans (net of taxes)</b>		
At the beginning of the year	(1.00)	(1.95)
Movement during the year	3.31	0.95
<b>At the end of the year</b>	<b>2.31</b>	<b>(1.00)</b>

### Note 15: Other Comprehensive Income

	(₹ in Million)	
Particulars	As at March 31, 2023	As at March 31, 2022
Re-measurement gain on defined benefit plans	4.43	1.28
Tax on re-measurement gain on defined benefit plans	(1.12)	(0.33)
Mark to market gain/(loss) on fair value measurement of investments (net of tax)	1,682.60	244.74
<b>Total</b>	<b>1,685.91</b>	<b>245.69</b>

### Financial liabilities

#### Note 16: Borrowings

	(₹ in Million)	
Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
<b>Redeemable non-convertible debentures (secured)</b>		
From banks		
- Listed 9.55% NCD 2,000 of face value of ₹ 1,000,000 each (March 31, 2022 : 2,000 of face value of ₹ 1,000,000 each)	2,000.00	2,000.00
- Listed 9.55% NCD 2,000 of face value of ₹ 870,000 each (March 31, 2022 : 2,000 of face value of ₹ 1,000,000 each)	1,740.00	2,000.00
- Listed 9.55% NCD 3,500 of face value of ₹ 7,53,229.71 each (March 31, 2022 : 3,500 of face value of ₹ 9,40,000 each)	2,636.30	3,290.00
From others		
- Unlisted 9.927% NCD 218,455 of face value of ₹ 100,000 each (March 31, 2022 : 218,455 of face value of ₹ 100,000 each)	21,845.50	21,845.50
	<b>28,221.80</b>	<b>29,135.50</b>
Effective interest rate impact	(281.73)	(423.38)
Less : current maturities	(2,929.71)	(913.70)
<b>Total</b>	<b>25,010.36</b>	<b>27,798.42</b>
<b>Unsecured loan</b>		
Loans from subsidiary companies (interest free) (refer note 41)	3,389.97	2,355.27
Less : current maturities	(166.13)	-
	<b>3,223.84</b>	<b>2,355.27</b>
<b>Total</b>	<b>28,234.20</b>	<b>30,153.69</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Non-convertible Debentures (NCD) (listed)

#### a) Rate of interest and security

- i) **From banks:** Listed NCD 2,000 (March 31, 2022 : 2,000) of face value of ₹ 1,000,000 each : Secured, redeemable, listed Non-convertible Debentures of ₹ 2,000.00 million (March 31, 2022 : ₹ 2,000.00 million) carries interest rates at 9.55% (March 31, 2022 : 9.55% ) and are secured by pledge of equity shares of a subsidiary, subservient charge on the current assets of the Company to the extent of 100% to 125% of the outstanding NCD amount.
- ii) **From banks:** Listed NCD 2,000 (March 31, 2022 : 2,000) of face value of ₹ 870,000 (March 31, 2022 : ₹ 1,000,000) each: Secured, redeemable, listed Non-convertible Debentures of ₹ 2,000.00 million (March 31, 2022 : ₹ 2,000.00 million ) carries interest rates at 9.55% (March 31, 2022 : 9.55% ) and are secured by pledge of units of a joint venture and subservient charge on the current asset of the Company to the extent of 125% of the outstanding NCD amount and escrow account.
- iii) **From banks:** Listed NCD 3,500 (March 31, 2022 : 3,500) of face value of ₹ 7,53,229.71 (March 31, 2022 : ₹ 9,40,000.00) each: Secured, redeemable, listed Non-convertible Debentures of ₹ 2,636.30 million (March 31, 2022 : ₹ 3,290.00 million) carries interest rates at 9.55% (March 31, 2022 : 9.55% ) and are secured by pledge of units of joint-venture and subservient charge on the specific current asset of the Company to the extent of 175% of the outstanding NCD amount and escrow accounts.
- iv) **From Others:** Unlisted NCD 218,455 (March 31, 2022 : NCD 218,455) of face value of ₹ 100,000 each: The tenure of 9.927% NCD is 7 years i.e. it will mature on February 2028 and carries interest rate of 9.927% per annum. Frequency of interest payment is semi-annually with bullet repayment of principal amount at the end of 7 years. The 9.927% NCD are secured by charge over certain cash flows from a subsidiary of the Company, pledge over a portion of holding of IRB in one of the subsidiary and six months Interest Service Reserve Account (ISRA).

The Company has an option to redeem the 9.927% NCD at any time prior to 19 February 2023, subject to applicable law, at a redemption price equal to 100% of principal amount and accrued interest upto redemption date plus applicable redemption premium if any. If the Company redeems the 9.927% NCD at anytime from 19 February 2023 to 18 February 2024, subject to applicable law, the redemption price is 102.75% of the principal amount and accrued interest upto redemption date plus applicable redemption premium, and if it is redeemed anytime on or after 19 February 2024, subject to applicable law, redemption price is 100% of principal amount and accrued interest upto redemption date plus applicable redemption premium. The 9.927% NCD will mature on the maturity date. The management does not intend to redeem the 9.927% NCD at anytime before the maturity date. The Determination agent has confirmed that there is no shortfall in funding as on March 31, 2023. Further, the Determination agent has confirmed that since neither the event of default or exercise of put option has triggered as on March 31, 2023, the redemption premium cannot be determined as on March 31, 2023 and hence no provision is created for the redemption premium in the financial statements.

The Holders of the 9.927% NCD have a Put option right on one business day prior to 19 August 2024 to redeem the 9.927% NCD. The Put right redemption price will be determined by the Holder or any agent acting on its behalf which will be the price at which Holders of the 9.927% NCD do not suffer a funding shortfall as a result of having exercised Put option right. Also, the Holders of the 9.927% NCD have the option to redeem the NCD at any time before its maturity date in the case of occurrence of event of default as mentioned in the Debenture Trust Deed. The economic characteristics and risks of this put option right are closely related to the host debt instrument and hence both are inseparable, and therefore the embedded derivative is not separated for accounting purpose.

#### b) Repayment schedule

##### March 31, 2023

- NCD amounting to ₹ 2,000.00 million is repayable in bullet payment on May 20, 2023.
- NCD amounting to ₹ 1,740.00 million is repayable in 9 structured quarterly instalments commencing from June 29, 2023
- NCD amounting to ₹ 2,636.30 million is repayable in 18 structured quarterly instalments commencing from June 30, 2023
- NCD amounting to ₹ 21,845.50 million is repayable in bullet payment on August 16, 2024.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### March 31, 2022:

- NCD amounting to ₹ 2,000.00 million is repayable in bullet payment on May 20, 2023.
- NCD amounting to ₹ 2,000.00 million is repayable in 13 structured quarterly instalments commencing from June 29, 2022
- NCD amounting to ₹ 3,290.00 million is repayable in 22 structured quarterly instalments commencing from June 30, 2022
- NCD amounting to ₹ 21,845.50 million is repayable in bullet payment on August 16, 2024.

### c) Availed and repayment during the year

- NCD amounting to ₹ Nil million (March 31, 2022 : ₹ 3,500.00 million) has been availed during the current reporting year.
- NCD amounting to ₹ 913.70 million (March 31, 2022 : ₹ 16,210.00 million) has been repaid during the current reporting year.

### Unsecured loan from related parties

Interest free and repayable within 2 to 6 years as per agreed terms.

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
<b>Short-term borrowings (secured)</b>		
Bank overdraft (repayable on demand)	7,250.47	3,366.37
Current maturities of long-term borrowings :		
Redeemable non-convertible debentures (secured)	2,929.71	913.70
Unamortised transaction cost (including EIR impact)	(132.21)	(256.65)
Current maturities of unsecured long-term borrowings from related party	166.13	-
Interest accrued but not due on long-term borrowings	422.74	413.41
<b>Unsecured loans</b>		
Loans from subsidiary companies (refer note 41) (interest free and repayable on demand)	19,782.08	20,088.54
<b>Total</b>	<b>30,418.92</b>	<b>24,525.37</b>

### a. Bank overdraft

\*The bank overdraft is secured against fixed deposits and interest rate varies from 3.71% to 7.50% p.a..  
(March 31, 2022: 3.71% to 4.10% p.a.).

### Note 17 : Trade payables

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
a) Total outstanding dues of micro enterprises and small enterprises (MSME)	0.58	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Related parties (refer note 41)	12,334.13	6,624.74
- Others	11.04	23.02
<b>Total</b>	<b>12,345.75</b>	<b>6,647.76</b>

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 90 day terms.

Refer to note 34 for explanations on the Company's financial risk management processes.

Refer note 31 for MSME and Ageing disclosure.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 18 : Other financial liabilities

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
Interest payable on income tax	-	-
Due to related parties (refer note 41):		
Retention money payable (subsidiaries)	6,178.23	7,868.55
Directors sitting fees payable	-	0.25
Interest accrued but not due on advances	-	4.77
Other payables:		
Retention money payable	0.14	-
Employee benefits payable	67.89	59.43
Unclaimed dividend*	7.16	7.80
<b>Total</b>	<b>6,253.42</b>	<b>7,940.80</b>

\* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at March 31, 2023 (March 31, 2022 : ₹ Nil)

### Note 19 : Provisions

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Provision for employee benefits		
- Gratuity (refer note 28)	13.31	23.65
<b>Total</b>	<b>13.31</b>	<b>23.65</b>
<b>Current</b>		
Provision for employee benefits		
- Gratuity (refer note 28)	-	12.66
- Compensated absences	13.37	2.60
<b>Total</b>	<b>13.37</b>	<b>15.26</b>

### Note 20 : Other current liabilities

Particulars	(₹ in Million)	
	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
Due to related parties (refer note 41) :		
- Mobilisation advance from customers	33.68	435.80
- Contract liabilities (advance from customers)	1,292.03	502.86
Statutory dues (PF/TDS/GST and others)	370.26	159.56
<b>Total</b>	<b>1,695.97</b>	<b>1,098.22</b>

### Note 21 : Revenue from operations

Particulars	(₹ in Million)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Contract revenue (road construction) (refer note 38 & 41)	37,228.75	20,692.27
Operation and maintenance (refer note 38 & 41)	4,375.64	5,304.55
<b>Total</b>	<b>41,604.39</b>	<b>25,996.82</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 22 : Other income

Particulars	(₹ in Million)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest income on		
- Bank deposits	586.23	547.71
- Investments in InvIT Fund	500.61	491.34
- Unsecured loan/sub-ordinated debt to subsidiaries (refer note 41)	890.57	1,032.03
- Others	42.99	13.24
Dividend income on		
- Long term investment in subsidiaries (refer note 41)	754.88	-
Net gain on sale of investments		
- Current investments	-	35.35
- Subsidiaries (refer note 40)	509.46	-
Provision no longer required written back	0.69	49.15
Fair value adjustment on receipt of interest free long-term loan (refer note 41)	182.54	427.01
Gain on fair value measurement of other receivables (refer note 33 and 41)	560.52	2,161.32
Gain on current investments at fair value through profit or loss (unrealised)	0.26	0.04
<b>Total</b>	<b>4,028.75</b>	<b>4,757.19</b>

### Note 23 : Contract and site expenses

Particulars	(₹ in Million)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Contract expenses - road construction (refer note 41)	32,201.96	14,312.45
Contract expenses - operation and maintenance (refer note 41)	3,591.08	3,531.77
Technical consultancy & supervision charges	14.61	45.38
<b>Total</b>	<b>35,807.65</b>	<b>17,889.60</b>

### Note 24 : Employee benefits expense

Particulars	(₹ in Million)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Salaries, wages and bonus	642.38	461.46
Contribution to provident and other funds (refer note 28)	12.57	13.18
Gratuity expenses (refer note 28)	103.45	2.64
Staff welfare expenses	0.63	0.78
<b>Total</b>	<b>759.03</b>	<b>478.06</b>

### Note 25 : Finance cost

Particulars	(₹ in Million)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest on term loan from banks and financial institutions	-	949.28
Interest on overdraft from banks	220.82	279.69
Interest on debentures	3,071.50	5,346.19
Other borrowing cost (net of reimbursement) (refer note 41)	161.98	506.12
Interest cost on unwinding of unsecured loans (refer note 41)	257.24	120.01
<b>Total</b>	<b>3,711.54</b>	<b>7,201.29</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 26 : Other expenses

Particulars	(₹ in Million)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Rates and taxes	110.84	292.87
Travelling, Lodging and Boarding	29.93	42.89
Membership and subscription fees	2.28	1.29
Printing and stationery	0.58	0.02
Director sitting fees (refer note 41)	2.46	2.87
Legal and professional expenses	414.98	319.16
Payment to joint auditors (refer details below)	9.87	14.36
Donations (refer note 44)	95.11	73.47
Corporate social responsibilities expenditure (refer note 39)	34.00	50.00
Bank charges	34.12	17.96
Insurance	3.06	0.59
Advertisement expenses	18.80	2.85
Allowance for credit impaired	-	64.10
Miscellaneous expenses	6.01	3.53
<b>Total</b>	<b>762.04</b>	<b>885.96</b>
Payment to auditors (excluding taxes)		
As auditors:		
- Statutory audit fees	3.50	7.78
- Limited review fees	5.08	5.25
In other capacity:		
- Other services (Certification Fees)	0.59	1.15
Reimbursement of expenses	0.70	0.18
<b>Total</b>	<b>9.87</b>	<b>14.36</b>

### Note 27 : Income tax

Reconciliation of tax expenses and the accounting of profit multiplied by Indian Domestic tax rate for the year ended March 31, 2023 and March 31, 2022:

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>a. Standalone Statement of profit and loss</b>		
<b>Income tax expense</b>		
Current tax	746.32	492.92
Adjustment of tax relating to earlier years	0.20	(5.58)
<b>Current income tax expense</b>	<b>746.52</b>	<b>487.34</b>
<b>Deferred tax expense</b>		
Relating to addition and (reversal) of temporary differences	123.71	613.83
	<b>123.71</b>	<b>613.83</b>
<b>Total tax expenses</b>	<b>870.23</b>	<b>1,101.17</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>b. Other Comprehensive Income (OCI)</b>		
Deferred tax related to items recognised in OCI during the year:	1.12	0.33
<b>Reconciliation of tax expense and accounting profit</b>		
Profit before tax	4,592.88	4,299.10
Statutory tax rate	25.17%	25.17%
Tax at statutory rate	1,155.94	1,082.00
Effect of not deductible expenses	32.30	24.97
Effect of income exempt from taxation	(318.21)	(0.22)
	<b>870.03</b>	<b>1,106.75</b>
Adjustments recognised in the current year in relation to the current tax of prior years	0.20	(5.58)
<b>Income tax expense reported in the standalone statement of profit and loss</b>	<b>870.23</b>	<b>1,101.17</b>
<b>Current tax asset/ (liabilities)</b>		
<b>Opening balance</b>		
Current tax asset	532.23	551.81
Current tax liabilities	(46.72)	-
	<b>485.51</b>	<b>551.81</b>
Current tax payable for the year	(746.32)	(492.92)
Adjustments recognised in the current year in relation to the current tax of prior years	(0.20)	5.58
Taxes paid	<b>260.73</b>	<b>421.04</b>
<b>Closing balance</b>		
Current tax asset	-	<b>532.23</b>
Current tax liabilities	<b>(0.28)</b>	<b>(46.72)</b>
	<b>(0.28)</b>	<b>485.51</b>
<b>Reconciliation of deferred tax assets/(liabilities)</b>		
Opening balance as of 1 April	(699.86)	(85.70)
Tax expense during the year recognised in the standalone statement of profit and loss		
- Gratuity and leave encashment	(1.30)	0.45
- Fair valuation on current investments	(0.13)	2.79
- Fair valuation on long-term unsecured loans (interest free)	18.80	(77.26)
- Fair valuation on deferred consideration towards sale of subsidiaries	(141.07)	(539.81)
Tax expense during the year recognised in OCI		
- Gratuity	(1.12)	(0.33)
<b>Closing balance as at end of the year</b>	<b>(824.68)</b>	<b>(699.86)</b>
Deferred tax assets relates to the following:		
- Gratuity	3.35	9.14
- Leave encashment	3.37	-
- Fair valuation on current investments	0.04	0.17
<b>Deferred tax liability relates to the following:</b>		
- Fair valuation on long-term unsecured loans (interest free)	(147.13)	(165.93)
- Fair valuation on deferred consideration towards sale of subsidiaries	(684.31)	(543.24)
	<b>(824.68)</b>	<b>(699.86)</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

No deferred tax assets has been recognised on the below due to uncertainty of future long term capital gains :

Particulars	March 31, 2023		March 31, 2022	
	Amount of Loss	Deferred tax assets not recognised	Amount of Loss	Deferred tax assets not recognised
Mark to market Losses on the Invit Fund (loss without expiration date)	1,520.63	177.12	3,203.23	373.11
Long-term capital loss of sale of subsidiaries (loss with expiration date)	8,245.15	1,886.49	8,531.48	1,952.00
Indexation benefit on investment of subsidiaries and joint ventures (loss without expiration date)	2,431.85	486.37	2,156.33	431.27
<b>Total</b>	<b>12,197.63</b>	<b>2,549.98</b>	<b>13,891.04</b>	<b>2,756.38</b>

### Note 28 : Gratuity and other post-employment benefit plans

#### (a) Defined contribution plan

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

Particulars	(₹ in Million)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Contribution in defined contribution plan - provident and other funds	12.57	13.18

#### (b) Defined benefit plan

During the current year, the Company has moved from unfunded gratuity plan to a funded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972 ('the Gratuity Act'). Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Act. The Gratuity is funded with Life Insurance Corporation of India (LIC). The Company contributes in the fund every year as premium on the basis of demand raised by LIC. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The Company contributes Gratuity liabilities to the IRB Infrastructure Developers Limited Employees Group Gratuity Scheme (the Trust). Trustees administer contributions made to the Trusts and contributions are invested in a scheme with the LIC as permitted by Indian law.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

The following tables summaries the components of net benefit expense recognised in the standalone statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Standalone statement of profit and loss</b>		
Net employee benefit expense recognised in the employee cost		
Current service cost	0.78	0.63
Past current service cost	100.62	-
Interest cost on defined benefit obligation	2.05	2.01
<b>Net benefit expense</b>	<b>103.45</b>	<b>2.64</b>
<b>Amount recorded in Other Comprehensive Income (OCI)</b>		
Opening amount recognised in OCI outside Standalone statement of profit and loss statement	1.35	2.63
Remeasurement during the year due to :		
Actuarial loss arising from change in financial assumptions	(4.91)	0.05
Changes in demographic assumptions	-	-
Experience adjustments	3.57	(1.33)
Actual return on plan assets less interest on plan assets	(3.09)	-
Amount recognised in OCI outside standalone statement of profit and loss statement	<b>(4.43)</b>	<b>(1.28)</b>
<b>Closing amount recognised in OCI outside standalone statement of profit and loss/retained earnings</b>	<b>(3.08)</b>	<b>1.35</b>
<b>Changes in the present value of the defined benefit obligation are as follows:</b>		
Opening defined benefit obligation	36.31	35.82
Current service cost	0.78	0.63
Past current service cost	100.62	-
Interest cost	2.05	2.01
Remeasurement during the year due to :		
Actuarial loss arising from change in financial assumptions	(4.91)	0.05
Actuarial loss / (gain) arising on account of experience changes	3.57	(1.33)
Benefits paid	(1.91)	(0.87)
<b>Closing defined benefit obligation</b>	<b>136.51</b>	<b>36.31</b>
<b>Movement of plan assets</b>		
Opening fair value of plan assets	-	-
Employer contributions	122.02	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	3.09	-
Benefits paid	(1.91)	-
<b>Closing fair value of plan assets</b>	<b>123.20</b>	<b>-</b>
<b>Amount recognised in Balance Sheet</b>		
The total amount of net liability / asset to be recorded in the balance sheet of the Company:		
Present value of funded defined benefit obligation	136.51	-
Fair value of plant assets	123.20	-
Net funded obligation	13.31	-
Present value of unfunded defined benefit obligation	-	36.31
<b>Net defined benefit liability / (assets) recognised in balance sheet</b>	<b>13.31</b>	<b>36.31</b>
<b>Net liability is bifurcated as follows :</b>		
Current	-	12.66
Non-current	13.31	23.65
<b>Net liability</b>	<b>13.31</b>	<b>36.31</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

	March 31, 2023	March 31, 2022
Discount rate	7.40%	6.85%
Expected rate of return on plan assets (p.a.)	7.01%	N.A.
Salary escalation rate (p.a.)	10.00%	10.00%
Mortality pre-retirement	Indian Assured Lives Mortality (2012-14) Ult Table	Indian Assured Lives Mortality (2012-14) Ult Table

A quantitative analysis for significant assumption is as shown below:

Indian gratuity plan:

	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Assumptions -Discount rate</b>		
Sensitivity Level	0.5% increase	0.5% increase
Impact of Increase in 50 bps on defined benefit obligation	(132.25)	(0.81)
Impact of Decrease in 50 bps on defined benefit obligation	140.96	0.85
<b>Assumptions - Salary Escalation rate</b>		
Sensitivity Level	0.5% increase	0.5% increase
Impact of Increase in 50 bps on defined benefit obligation	140.83	0.13
Impact of Decrease in 50 bps on defined benefit obligation	(132.33)	(0.15)

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

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

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Within the next 12 months (next annual reporting year)	14.81	12.66
Between 2 and 5 years	54.20	12.07
Between 6 and 10 years	96.70	11.79
Beyond 10 years	65.00	16.19
<b>Total expected payments</b>	<b>230.71</b>	<b>52.71</b>
The weighted average duration of the defined benefit plan obligation at the end of the reporting year	6.38 years	4.81 years

The expected contribution payable to the plan next year is therefore ₹ 8.00 million (March 31, 2022 : ₹ Nil).

Compensated absences during the year ended March 31, 2023 is ₹ 10.77 million and for the year ended March 31, 2022 is ₹ (0.41) million is charged to the Statement of Profit and loss.



## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 29 : Earnings per share (EPS)

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Profit after tax attributable to equity shareholders (₹ million)	3,722.65	3,197.93
Weighted average number of equity shares in calculating basic EPS and diluted	6,03,90,00,000	4,15,77,28,767
Face value per share (in Re.) - refer note 13 for shares split	1.00	1.00
Basic and Diluted earnings per share	0.62	0.77

Note : The Company does not have any potentially dilutive equity shares and therefore basic and dilutive EPS are the same.

### Note 30 : Commitments and Contingencies

#### a. Commitments

The Company has commitments related to further investment as sponsor's contribution (share capital, subordinated debt and non-convertible debentures) to the projects in the following subsidiaries and joint-ventures:

Sr. No.	Particulars	(₹ in Million)	
		March 31, 2023	March 31, 2022
a.	VK1 Expressway Private Limited **	-	28.04
b.	IRB Infrastructure Trust*	-	1,272.35
c.	VM7 Expressway Private Limited	1,265.00	1,265.00
d.	Palsit Dankuni Tollway Private Limited **	1,235.99	4,849.50
e.	Pathankot Mandi Highway Private Limited	621.00	1,241.50
f.	Chittoor Thachur Highway Private Limited	580.20	1,090.30
g.	Meerut Budaun Expressway Limited**	6,705.03	-
h.	Samakhiali Tollway Private Limited ***	4,689.95	-
<b>Total</b>		<b>15,097.17</b>	<b>9,746.69</b>

\* During the year ended March 31, 2020, the Company had transferred its nine subsidiaries to IRB Infrastructure Trust (Trust). However, based on the sponsor support agreement entered by the Company with the lenders of the subsidiaries, the Company continues to be liable for the balance equity commitment to the extent of 51%.

\*\* Refer note 40

\*\*\* The Company is awarded with the project Samakhiali to Santalpur in the State of Gujarat on BOT (Toll) mode which is to be implemented by Samakhiali Tollway Private Limited, a wholly owned subsidiary of the Company. The projected cost is ₹ 21,320 million and the financial closure for the project is under progress.

#### Other commitments:

The Company has entered into agreements with its subsidiaries, joint-ventures and IRB Invit Fund to provide toll operations and management services.

#### b. Contingent liabilities (to the extent not provided for)

Sr. No.	Particulars	(₹ in Million)	
		March 31, 2023	March 31, 2022
(i)	Amount outstanding in respect of guarantees given by the Company to banks for loans to subsidiary (also refer note ii below)	6,292.00	2,711.48
(ii)	Guarantees given to others for subsidiary	2,366.89	3,755.77
(iii)	Guarantees and counter guarantees on behalf of subsidiaries given by the Company	1,340.75	4,255.95
(iv)	Guarantees and counter guarantees on behalf of joint ventures given by the Company	2,921.80	-
(v)	Bank guarantees towards bids/tenders/ etc	1,923.20	412.60
<b>Total</b>		<b>14,844.64</b>	<b>11,135.80</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Notes:

- The Company does not expect any outflow of economic resources in respect of the above and therefore no provision is made in respect thereof.
- The Company has provided corporate guarantee to the lenders of the subsidiary companies and joint ventures to make good the shortfall, if any, between the secured obligations of the subsidiary companies and joint ventures and the termination payment receivable from the Authority in the event of termination of the Concession Agreement. As on March 31, 2023 and March 31, 2022, since the termination clause has neither triggered nor expected to trigger in the foreseeable future for any of the subsidiary and joint venture, the said liability is considered as remote.
- The Company's pending litigations comprise of claims against the Company primarily by the commuters. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed contingent liabilities where applicable, in its standalone financial statements. The Company has not provided for or disclosed contingent liabilities for matters considered as remote for pending litigations/public litigations(PIL)/claims the commuters wherein the management is confident, based on the internal legal assessment and advice of its lawyers that these litigations would not result into any liabilities. The Company does not expect the outcome of these proceedings to have a material adverse effect on the standalone financial statements.
- The Company has no material tax litigations in the current year and previous year.
- With respect to issuance of Non-convertible Debentures issued to India Toll Roads, the Company has an obligation to pay redemption premium to Initial investor in the event of exercise of put option right. The redemption premium payable is currently not determinable since the event is not triggered. Refer note 16(a)(iv).

### Note 31 : Trade Payables

#### a) Details of dues to Micro and Small Enterprises as per Micro, Small and Medium Enterprises Development Act, 2006

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

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the standalone financial statement as at March 31, 2023 and March 31, 2022 based on the information received and available with the Company.

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
i. Principal amount remaining unpaid to any supplier as at the year end	0.58	-
ii. Interest due thereon	-	-
iii. Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
iv. Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED, 2006	-	-
v. Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
vi. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### MSME ageing schedule as at

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
MSME Undisputed Dues		
Not Due	0.58	-
Less than 1 year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
<b>Total</b>	<b>0.58</b>	<b>-</b>

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

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Others Undisputed Dues		
Not Due	8.71	-
Less than 1 year	12,335.89	6,647.76
1-2 Years	0.57	-
2-3 Years	-	-
More than 3 years	-	-
<b>Total</b>	<b>12,345.17</b>	<b>6,647.76</b>

### Note 32 : Fair values disclosure

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

Particulars	(₹ in Million)			
	Carrying amount		Fair Value	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Financial assets</b>				
<b>Financial assets measured at amortised cost</b>				
Investments (unquoted)	0.02	0.02	-	-
Trade receivable	5,492.46	2,925.11	-	-
Cash and cash equivalents	1,993.45	64.43	-	-
Other bank balances	14,791.89	14,860.83	-	-
Loans	18,089.43	16,688.45	-	-
Other financial assets	1,447.59	1,414.09	-	-
<b>Financial assets measured at fair value through Statement of Profit and Loss</b>				
Investments (quoted) #	1.03	0.36	0.63	0.36
Other financial assets	32,095.57	31,535.05	32,095.57	31,535.05
<b>Financial assets measured at fair value through Other comprehensive income</b>				
Investments (quoted) #	7,777.30	8,079.60	6,256.66	4,875.36
Investments (unquoted)	5.55	5.55	5.55	5.55
<b>Financial liabilities measured at amortised cost</b>				
Borrowings (net of unamortised transaction cost)	58,653.12	54,679.06	-	-
Trade payables	12,345.75	6,647.76	-	-
Other financial liabilities	6,253.42	7,940.80	-	-

# The cost of quoted investment is ₹ 7,778.33 million (March 31, 2022: ₹ 8,079.60 million)

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

The management assessed that trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, borrowings including bank overdrafts, trade payables and other financial liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

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

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

The above investments does not include equity investments in subsidiaries and joint ventures which are carried at cost and hence are not required to be disclosed as per Ind AS 107 'Financial Instrument Disclosure!')

### Note 33 : Fair Value Hierarchy

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

Level 1: Quoted price in active markets

Level 2: Significant observable inputs

Level 3: Significant unobservable inputs

### Quantitative disclosures fair value measurement hierarchy for financial instruments as at March 31, 2023

Particulars	March 31, 2023	(₹ in Million)		
		Fair value measurement at the end of the reporting year using		
		Level 1	Level 2	Level 3
<b>Financials assets</b>				
Investments in equity and other instruments (Quoted)	6,257.29	6,257.29	-	-
Investments in equity instruments (Unquoted)*	5.57	-	-	5.57
Other financial assets**	32,095.57	-	-	32,095.57
<b>Liabilities</b>				
Non convertible debentures	6,376.30	-	6,422.28	-

### Quantitative disclosures fair value measurement hierarchy for financial instruments as at March 31, 2022

Particulars	March 31, 2022	(₹ in Million)		
		Fair value measurement at the end of the reporting year using		
		Level 1	Level 2	Level 3
<b>Financials assets</b>				
Investments in equity and other instruments (Quoted)	4,875.72	4,875.72	-	-
Investments in equity instruments (Unquoted)*	5.57	-	-	5.57
Other financial assets**	31,535.05	-	-	31,535.05
<b>Liabilities</b>				
Non convertible debentures	7,290.00	-	8,093.90	-

There have been no transfers between levels during the year.

\* The fair value in respect of the unquoted equity investments cannot be reliably estimated and hence the same is valued at cost.

\*\*The fair value measurements for the Receivable from IRB Infrastructure Trust ('Trust') have been categorised as Level 3 fair values based on the inputs to the valuation techniques used. The fair valuation is determined based on present value of projected cash flows and discount rates equivalent to cost of unsecured debt. The significant unobservable inputs used are (a) applying probability for percentage of amount that will be collected against the claims raised / to be raised with customers including the timing of collection (over a period of three years) with weights being assigned to different probability scenarios; and (b) discount rate applied to determine present value is 11.90% (March 31, 2022 : 10.30%).

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sensitivity: Higher probability by 5% and lower discount rate by 0.5% will increase the fair value by ₹ 4,166.87 millions (March 31, 2022 - ₹ 4,048.35 million). Lower probability by 5% and higher discount rate by 0.5% will reduce fair value by ₹ 3,946.06 million (March 31, 2022 - ₹ 3,784.57 million).

There were no significant inter-relationship between unobservable inputs that materially affects fair value.

Fair value movement for Other financial assets is as under:

Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
Opening balance as at 1 April	31,535.05	29,373.73
Add : Recognised during the year	-	-
Less: Receipt of deferred consideration during the year	-	-
Add: Fair value gain during the year	560.52	2,161.32
<b>Closing balance of receivables 31 March</b>	<b>32,095.57</b>	<b>31,535.05</b>

### Note 34 : Financial risk management objectives and policies

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

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

#### Market risk

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

#### Credit risk

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

#### Financial instruments

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

#### Investment in Equity shares/units

The Company has investments in equity shares/units. The settlement of such instruments is linked to the completion of the respective underlying projects. Such Financial Assets are not impaired as on the reporting date.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

#### Trade receivables

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

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

Gross Carrying Amount	₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Undisputed Trade receivables -considered good</b>		
Less than 6 Months	3,187.54	1,825.83
6 months - 1 year	1,605.38	120.00
1-2 Years	25.86	979.28
2-3 Years	673.68	-
More than 3 years	-	-
<b>Total</b>	<b>5,492.46</b>	<b>2,925.11</b>

#### Other financial assets

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

The movement in allowance for credit impaired is as follows:

Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
Balance as at beginning of the year	64.10	-
Change in allowance for credit impaired during the year	-	64.10
Balance as at end of the year	<b>64.10</b>	<b>64.10</b>

#### Interest rate risk

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

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

#### Interest rate sensitivity

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

Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
Long term borrowings - fixed interest rate	27,807.86	28,455.47
Long term borrowings - interest free	3,389.97	2,355.27
Short term borrowings - fixed interest rate	7,250.47	3,366.37
Short term borrowings - interest free	19,782.08	20,088.54
Financial assets - variable interest rate	11,824.74	11,824.74
Financial assets - Fixed interest rate	14,787.30	14,904.36

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Cash flow sensitivity analysis for variable rate instrument

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Long term borrowings - fixed interest rate</b>		
If the interest rate is 50 basis point higher (lower), the impact on profit or loss would be		
- Decreased by	141.11	145.68
- Increased by	141.11	145.68
<b>Short term borrowings - fixed interest rate</b>		
If the interest rate is 50 basis point higher (lower), the impact on profit or loss would be		
- Decreased by	36.25	16.83
- Increased by	36.25	16.83
<b>Financial assets - variable interest rate</b>		
If the interest rate is 50 basis point higher (lower), the impact on profit or loss would be		
- Decreased by	59.12	59.12
- Increased by	59.12	59.12
<b>Financial assets - fixed interest rate</b>		
If the interest rate is 50 basis point higher (lower), the impact on profit or loss would be		
- Decreased by	73.94	74.52
- Increased by	73.94	74.52

### Currency Risk

The Company conducts all the transactions in Indian Rupees which is also the functional currency of the Company. Hence, the sensitivity analysis is not required.

### Commodity price risk

The Company requires materials for implementation (construction) of the projects, such as cement, bitumen, steel and other related construction materials. However, the Company has entered into fixed price contract with the EPC contractor so as to manage the exposure to price increases in raw materials. Hence, the sensitivity analysis is not required.

### Note 35 : Capital management

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

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

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Long-term borrowings (refer note 16)	28,234.20	30,153.69
Short-term borrowings (refer note 16)	30,418.92	24,525.37
Borrowings	58,653.12	54,679.06
Less: cash and cash equivalents (refer note 9)	(1,993.45)	(64.43)
<b>Net debt (A)</b>	<b>56,659.67</b>	<b>54,614.63</b>
Equity	89,527.05	84,873.37
<b>Total equity (B)</b>	<b>89,527.05</b>	<b>84,873.37</b>
Capital and Net debt (C=A+B)	1,46,186.72	1,39,488.00
Gearing ratio (%) (A/C)	38.76%	39.15%

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

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

### Note 36 : Liquidity risk

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

The table below summarises the maturity profile of the Company's financial assets and liabilities based on contractual undiscounted payments as on balance sheet date:

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts of borrowings, trade payables and other financial liabilities. The Company's maximum exposure relating to financial guarantees and financial instruments is noted in note 30 and the liquidity table below respectively:

As at March 31, 2023	Carrying amount	Total	(₹ in Million)		
			Less than 1 year	1-5 years	More than 5 years
<b>Financial assets</b>					
Trade receivable	5,492.46	5,492.46	5,492.46	-	-
Cash and cash equivalents	1,993.45	1,993.45	1,993.45	-	-
Bank balance other than Cash and cash equivalents	14,791.89	14,791.89	14,791.89	-	-
Loans	18,089.43	28,701.02	7,145.63	3,523.77	18,031.62
Other financial assets	33,543.16	33,543.16	1,439.23	32,103.93	-
<b>Total financial assets</b>	<b>73,910.39</b>	<b>84,521.98</b>	<b>30,862.66</b>	<b>35,627.70</b>	<b>18,031.62</b>
<b>Financial Liabilities</b>					
Long-term borrowings *	31,330.04	35,798.86	5,272.81	30,526.05	-
Short-term borrowings	27,323.08	27,772.99	27,772.99	-	-
Trade payables	12,345.75	12,345.75	12,345.75	-	-
Other financial liabilities	6,253.42	6,253.42	6,253.42	-	-
<b>Total financial liabilities</b>	<b>77,252.29</b>	<b>82,171.02</b>	<b>51,644.97</b>	<b>30,526.05</b>	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

As at March 31, 2022	Carrying amount	Total	(₹ in Million)		
			Less than 1 year	1-5 years	More than 5 years
<b>Financial assets</b>					
Trade receivable	2,925.11	2,925.11	2,925.11	-	-
Cash and cash equivalents	64.43	64.43	64.43	-	-
Bank balance other than Cash and cash equivalents	14,860.83	14,860.83	14,860.83	-	-
Loans	16,688.45	23,558.62	5,845.16	3,925.81	13,787.65
Other financial assets	32,949.14	32,949.14	1,405.73	31,543.41	-
<b>Total financial assets</b>	<b>67,487.96</b>	<b>74,358.13</b>	<b>25,101.26</b>	<b>35,469.22</b>	<b>13,787.65</b>
<b>Financial Liabilities</b>					
Long-term borrowings *	31,067.39	38,115.12	3,180.74	34,591.80	342.58
Short-term borrowings	23,611.67	24,112.91	24,112.91	-	-
Trade payables	6,647.76	6,647.76	6,647.76	-	-
Other financial liabilities	7,940.80	7,940.80	7,940.80	-	-
<b>Total financial liabilities</b>	<b>69,267.62</b>	<b>76,816.59</b>	<b>41,882.21</b>	<b>34,591.80</b>	<b>342.58</b>

\* Refer note 16.

The Company has sufficient level of cash and bank balances, including highly marketable debt investments to meet the financial liabilities over the next twelve months. The Company also has the ability to transfer excess cash flows generated in its subsidiaries by way of short term loans. Moreover, the Company has maintained adequate sources of financing including debt tie up with banks/ financial institutions and overdraft facility from banks in respect of committed capital and operational cash flows.

### Note 37 : Dividend Distribution made

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Interim dividend for the year ended March 31, 2023 is ₹ 0.125/- per equity share (refer note 13)	754.88	-
<b>Total</b>	<b>754.88</b>	<b>-</b>

### Note 38 : Disclosure as per Ind AS 115

(a) The Company undertakes Engineering, Procurement and Construction business. The type of work in the contracts with the customers involve construction, engineering, designing, etc. There is minimum impact on the Company's revenue on applying Ind AS 115 from the contracts with customers.

(b) Disaggregation of revenue from contracts with customers

The Company believes that the information provided under Note (c) below, Revenue from Operations, is sufficient to meet the disclosure objectives with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

(c) Reconciliation of contract assets and liabilities:

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
<b>Due from contract customers (Contract assets):</b>		
At the beginning of the reporting year	4,409.90	840.89
Cost incurred plus attributable profits on contracts-in-progress	32,901.24	18,368.78
Progress billings made towards contracts-in-progress	29,516.17	14,799.77
<b>At the end of the reporting year</b>	<b>7,794.97</b>	<b>4,409.90</b>
<b>Advance due to contract customers (Contract Liabilities)</b>		
At the beginning of the reporting year	502.86	2,744.78
Revenue recognised during the year	4,327.51	2,323.49
Progress billings made towards contracts-in-progress	5,116.68	81.57
<b>At the end of the reporting year</b>	<b>1,292.03</b>	<b>502.86</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Advances due to contract customers represents the excess of progress billings over the revenue recognised (cost plus attributable profits) for the contract work performed till date.

### (d) Reconciliation of revenue as per Ind AS 115

Particulars	(₹ in Million)	
	March 31, 2023	March 31, 2022
Contract revenue	37,228.75	20,692.27
Operation and maintenance	4,375.64	5,304.55
<b>Total</b>	<b>41,604.39</b>	<b>25,996.82</b>

### (e) Performance obligation

The Company undertakes Engineering, Procurement and Construction business. The ongoing contracts with customers are for road construction. The type of work in these contracts involve construction, engineering, designing, etc.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Company provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Company enters into multiple contracts with the same customer, the Company evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Company recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognizes the entire estimated loss in the year the loss becomes known. Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

### (f) Revenue recognition for future related to performance obligations that are unsatisfied (or partially satisfied) :

While disclosing the aggregate amount of transaction price yet to be recognised as revenue towards unsatisfied (or partially) satisfied performance obligations, along with the board time band for the expected time to recognise those revenue, the Company has applied the practical expedient in Ind AS 115.

Unsatisfied (or partially satisfied) performance obligations are subject to variability due to several factors such as terminations, change in scope of contracts, yearly revalidations of the estimates, economic factors (changes in tax laws etc.). The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 87,071.51 million (March 31, 2022 : ₹ 1,04,594.58 million) out of which 52.01% (March 31, 2022 : 37.22%) is expected to be recognised as revenue in the next year and the balance thereafter. No consideration from contracts with customers is excluded from the amount mentioned above.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### (g) Practical expedients:

Applying the practical expedient in paragraph 63 of Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if at contract inception it is expected that the year between when the entity transfers a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

The Company applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations for EPC contracts that have original expected duration of one year or less.

### (h) Information about major customers

Revenue from Four customers of the Company is ₹ 31,941.91 million (March 31, 2022 : Four customers of ₹ 15,832.87 million) which is more than 10% of the Company's total revenue.

### Note 39 : Corporate Social Responsibility (CSR) Activities

Sr No. Particulars	₹ in Million)	
	March 31, 2023	March 31, 2022
(a) Gross amount required to be spent by the company during the year	33.87	49.12
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
On purposes other than (i) above	34.00	50.00
<b>Total</b>	<b>34.00</b>	<b>50.00</b>
(c) Shortfall at the end of the year	Nil	Nil
(d) Total of previous years shortfall	Nil	Nil
(e) Reason for shortfall	Not Applicable	Not Applicable
(f) Nature of CSR activities	Eradicating Poverty, Providing Healthcare and Education facilities	Eradicating Poverty, Providing Healthcare and Education facilities
(g) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	Nil	Nil
(i) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	Nil	Nil

Note:

- The Company does not have any ongoing projects as at March 31, 2023.
- The Company has elected not to carry forward any excess amount spent during the year

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 40 : Disclosure pursuant to Section 186 of the Companies Act, 2013

#### Investments in subsidiaries

#### Investments in equity instruments (unquoted investments) (at cost) - Subsidiaries

As on March 31, 2023

Entity	Financial year ended	₹ in Million)			
		Opening Balance	Investment made	Transfer / Sale of Investment	Closing Balance
Ideal Road Builders Private Limited	March 31, 2023	610.87	-	-	610.87
Mhaiskar Infrastructure Private Limited	March 31, 2023	777.61	-	-	777.61
Modern Road Makers Private Limited	March 31, 2023	311.73	-	-	311.73
Aryan Toll Road Private Limited	March 31, 2023	450.88	-	-	450.88
ATR Infrastructure Private Limited	March 31, 2023	525.41	-	-	525.41
IRB MP Expressway Private Limited	March 31, 2023	3,106.61	-	-	3,106.61
IRB Infrastructure Private Limited	March 31, 2023	100.14	-	-	100.14
Thane Ghodbunder Toll Road Private Limited	March 31, 2023	222.08	-	-	222.08
Aryan Infrastructure Investments Private Limited	March 31, 2023	3,441.60	-	-	3,441.60
IRB Kolhapur Integrated Road Development Company Private Limited	March 31, 2023	1,336.01	-	-	1,336.01
Aryan Hospitality Private Limited	March 31, 2023	0.09	-	-	0.09
IRB Sindhudurg Airport Private Limited	March 31, 2023	0.10	-	-	0.10
IRB Goa Tollway Private Limited	March 31, 2023	311.40	-	-	311.40
IRB Ahmedabad Vadodara Super Express Tollway Private Limited	March 31, 2023	3,780.00	-	-	3,780.00
GE1 Expressway Private Limited (formerly known as IRB PP Project Private Limited)	March 31, 2023	0.67	-	-	0.67
IRB PS Highway Private Limited (formerly known as MRM Highways Private Limited)	March 31, 2023	0.37	-	-	0.37
VK1 Expressway Private Limited **	March 31, 2023	1,225.00	-	1,225.00	-
VM7 Expressway Pvt Ltd	March 31, 2023	645.15	-	-	645.15
Palsit Dankuni Tollway Private Limited *	March 31, 2023	0.50	-	0.50	-
Pathankot Mandi Highway Private Limited	March 31, 2023	0.50	316.21	-	316.71
Chittoor Thachur Highway Private Limited	March 31, 2023	0.50	295.40	-	295.90
Samakhiali Tollway Private Limited	March 31, 2023	-	0.50	-	0.50
Meerut Budaun Expressway Limited ***	March 31, 2023	0.50	-	0.50	-
<b>Total</b>		<b>16,847.72</b>	<b>612.11</b>	<b>1,226.00</b>	<b>16,233.83</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### As on March 31, 2022

(₹ in Million)					
Entity	Financial year ended	Opening Balance	Investment made	Transfer / Sale of Investment	Closing Balance
Ideal Road Builders Private Limited	March 31, 2022	610.87	-	-	610.87
Mhaskar Infrastructure Private Limited	March 31, 2022	777.61	-	-	777.61
Modern Road Makers Private Limited	March 31, 2022	311.73	-	-	311.73
Aryan Toll Road Private Limited	March 31, 2022	450.88	-	-	450.88
ATR Infrastructure Private Limited	March 31, 2022	525.41	-	-	525.41
IRB MP Expressway Private Limited	March 31, 2022	3,106.61	-	-	3,106.61
IRB Infrastructure Private Limited	March 31, 2022	100.14	-	-	100.14
Thane Ghodbunder Toll Road Private Limited	March 31, 2022	222.08	-	-	222.08
Aryan Infrastructure Investments Private Limited	March 31, 2022	3,441.60	-	-	3,441.60
IRB Kolhapur Integrated Road Development Company Private Limited	March 31, 2022	1,336.01	-	-	1,336.01
Aryan Hospitality Private Limited	March 31, 2022	0.09	-	-	0.09
IRB Sindhudurg Airport Private Limited	March 31, 2022	0.10	-	-	0.10
IRB Goa Tollway Private Limited	March 31, 2022	311.40	-	-	311.40
IRB Ahmedabad Vadodara Super Express Tollway Private Limited	March 31, 2022	3,780.00	-	-	3,780.00
GE1 Expressway Private Limited	March 31, 2022	0.50	0.17	-	0.67
IRB PS Highway Private Limited (formerly known as MRM Highways Private Limited)	March 31, 2022	0.37	-	-	0.37
VK1 Expressway Private Limited	March 31, 2022	1,225.00	-	-	1,225.00
VM7 Expressway Pvt Ltd	March 31, 2022	0.50	644.65	-	645.15
Palsit Dankuni Tollway Private Limited	March 31, 2022	-	0.50	-	0.50
Pathankot Mandi Highway Private Limited	March 31, 2022	-	0.50	-	0.50
Chittoor Thachur Highway Private Limited	March 31, 2022	-	0.50	-	0.50
Meerut Budaun Expressway Limited	March 31, 2022	-	0.50	-	0.50
<b>Total</b>		<b>16,200.90</b>	<b>646.82</b>	<b>-</b>	<b>16,847.72</b>

### Deemed Investments

#### Subordinated debt to subsidiaries (interest free)

#### As on March 31, 2023:

(₹ in Million)					
Entity	Financial year ended	Opening Balance	Investment made (net of repayment)	Transfer / Sale of Investment/ Conversion of sub-debt into equity / repayment	Closing Balance
IRB Goa Tollway Private Limited	March 31, 2023	1,173.11	-	-	1,173.11
IRB Ahmedabad Vadodara Super Express Tollway Private Limited	March 31, 2023	10,833.33	-	-	10,833.33
VK1 Expressway Private Limited **	March 31, 2023	1,196.95	23.55	1,220.50	-
IRB Sindhudurg Airport Private Limited	March 31, 2023	3,500.00	-	-	3,500.00
VM7 Expressway Private Limited	March 31, 2023	619.85	-	-	619.85
Pathankot Mandi Highway Private Limited	March 31, 2023	-	304.28	-	304.28
Chittoor Thachur Highway Private Limited	March 31, 2023	-	284.30	-	284.30
<b>Total</b>		<b>17,323.24</b>	<b>612.13</b>	<b>1,220.50</b>	<b>16,714.87</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### As on March 31, 2022

(₹ in Million)					
Entity	Financial year ended	Opening Balance	Investment made (net of repayment)	Transfer / Sale of Investment/ Conversion of sub-debt into equity / repayment	Closing Balance
IRB Goa Tollway Private Limited	March 31, 2022	1,173.11	-	-	1,173.11
IRB Ahmedabad Vadodara Super Express Tollway Private Limited	March 31, 2022	10,833.33	-	-	10,833.33
VK1 Expressway Private Limited	March 31, 2022	1,053.76	143.19	-	1,196.95
IRB Sindhudurg Airport Private Limited	March 31, 2022	-	3,500.00	-	3,500.00
VM7 Expressway Private Limited	March 31, 2022	-	619.85	-	619.85
IRB MP Expressway Private Limited#	March 31, 2022	13,185.00	-	13,185.00	-
<b>Total</b>		<b>26,245.20</b>	<b>4,263.04</b>	<b>13,185.00</b>	<b>17,323.24</b>

#converted to long-term loans

### Investments in Joint Ventures

#### Investments in equity instruments (unquoted investments) (at cost) - Joint Ventures

#### As on March 31, 2023

(₹ in Million)						
Entity	Financial year ended	Opening Balance	Investment made/ Transfer in	Sale of Investment/ capital reduction	Fair Value gain/(loss)	Closing Balance
MMK Toll Road Private Limited	March 31, 2023	35.70	-	-	-	35.70
IRB Infrastructure Trust	March 31, 2023	43,607.23	1,236.75	-	-	44,843.98
Palsit Dankuni Tollway Private Limited *	March 31, 2023	-	0.50	-	-	0.50
Meerut Budaun Expressway Limited ***	March 31, 2023	-	2,719.58	-	-	2,719.58
<b>Total</b>		<b>43,642.93</b>	<b>3,956.83</b>	<b>-</b>	<b>-</b>	<b>47,599.76</b>

### As on March 31, 2022

(₹ in Million)						
Entity	Financial year ended	Opening Balance	Investment made/Transfer in	Sale of Investment/ capital reduction	Fair Value gain/(loss)	Closing Balance
MMK Toll Road Private Limited	March 31, 2022	35.70	-	-	-	35.70
IRB Infrastructure Trust	March 31, 2022	41,660.91	1,946.32	-	-	43,607.23
<b>Total</b>		<b>41,696.61</b>	<b>1,946.32</b>	<b>-</b>	<b>-</b>	<b>43,642.93</b>

### Investments in non convertible debentures (unquoted) (at cost)

#### As on March 31, 2023

(₹ in Million)						
Entity	Financial year ended	Opening Balance	Investment made/ Transfer in	Sale of Investment/ capital reduction	Fair Value gain/(loss)	Closing Balance
Meerut Budaun Expressway Limited ***	March 31, 2023	-	707.20	-	-	707.20
<b>Total</b>		<b>-</b>	<b>707.20</b>	<b>-</b>	<b>-</b>	<b>707.20</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### As on March 31, 2022

(₹ in Million)						
Entity	Financial year ended	Opening Balance	Investment made/Transfer in	Sale of Investment/capital reduction	Fair Value gain/(loss)	Closing Balance
Meerut Budaun Expressway Limited ***	March 31, 2022	-	-	-	-	-
<b>Total</b>		-	-	-	-	-

### Investments in entities other than related parties

#### As on March 31, 2023

(₹ in Million)						
Entity	Financial year ended	Opening Balance	Investment made	Sale of Investment/capital reduction	Fair Value gain/(loss)	Closing Balance
Union Bank of India	March 31, 2023	0.36	-	-	0.27	0.63
National Savings Certificates	March 31, 2023	0.02	-	-	-	0.02
Indian Highways Management Company Limited	March 31, 2023	5.55	-	-	-	5.55
IRB InvIT Fund	March 31, 2023	4,875.36	-	(301.30)	1,682.60	6,256.66
<b>Total</b>		<b>4,881.29</b>	-	<b>(301.30)</b>	<b>1,682.87</b>	<b>6,262.86</b>

#### As on March 31, 2022

(₹ in Million)						
Entity	Financial year ended	Opening Balance	Investment made	Sale of Investment/capital reduction	Fair Value gain/(loss)	Closing Balance
Union Bank of India	March 31, 2022	0.31	-	-	0.05	0.36
National Savings Certificates	March 31, 2022	0.02	-	-	-	0.02
Indian Highways Management Company Limited	March 31, 2022	5.55	-	-	-	5.55
IRB InvIT Fund	March 31, 2022	4,964.35	-	(333.73)	244.74	4,875.36
<b>Total</b>		<b>4,970.23</b>	-	<b>(333.73)</b>	<b>244.79</b>	<b>4,881.29</b>

Management is of the view that investment in mutual fund shall not form part of disclosure under section 186 (11) read with Schedule VI of the Act since they do not fall under the definition of body corporate as defined in Section 2 of the Companies Act, 2013.

The Company is engaged in the business of providing infrastructural facilities as per Section 186 (11) read with Schedule VI of the Companies Act 2013. Accordingly, disclosures under Section 186 of the Act in respect of loan made, investments, guarantees given or security provided is not applicable to the Company.

\* The Company has executed arrangement for implementation of Palsit Dankuni Tollway Private Limited (PDTPL) through the IRB Infrastructure Trust. Accordingly, PDTPL ceases to be subsidiary on April 1, 2022 and is considered a joint venture of the Company.

\*\* The Company is the 'Sponsor' of IRB InvIT Fund ("the Trust"), an Infrastructure Investment Trust registered with Securities and Exchange Board of India under InvIT Regulations, 2014, as amended. During the year the Company has concluded the sale of investment held in its wholly owned subsidiary, VK1 Expressway Private Limited ("VK1") for an agreed consideration of ₹ 3,420.00 million vide Share Purchase Agreement (SPA) with the Trust on October 13, 2022 and thereafter VK1 ceased to be the subsidiary. The transaction has been consummated and the entire consideration has been received resulting in a gain of ₹ 509.46 million which is included in 'Other Income'.

\*\*\* Meerut Budaun Expressway Limited (MBEL), a wholly owned subsidiary of the Company, has issued equity shares of ₹ 5,332 million to GIC Affiliates (₹ 2,612.90 million) and the Company (₹ 2,719.10 million). Post this transaction, in MBEL, the Company and GIC Affiliates holds equity shares in the ratio of 51% and 49% respectively. On October 15, 2022, the parties vide Share Purchase Agreement (SPA) have gained control to direct the relevant activities of MBEL. Accordingly, MBEL ceases to be subsidiary on October 15, 2022 and is considered a joint venture of the Company.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 41 : Related party disclosures

#### A) Names of related parties and description of relationship :

Description of relationship	Names of related parties
<b>Subsidiaries</b>	Aryan Toll Road Private Limited
	ATR Infrastructure Private Limited
	Ideal Road Builders Private Limited
	IRB Infrastructure Private Limited
	Mhaskar Infrastructure Private Limited
	Modern Road Makers Private Limited
	Thane Ghodbunder Toll Road Private Limited
	Aryan Infrastructure Investments Private Limited
	IRB MP Expressway Private Limited
	IRB Kolhapur Integrated Road Development Company Private Limited
	Aryan Hospitality Private Limited
	IRB Sindhudurg Airport Private Limited
	IRB Goa Tollway Private Limited
	MRM Mining Private Limited
	IRB Ahmedabad Vadodara Super Express Tollway Private Limited
	GE1 Expressway Private Limited (formerly known as IRB PP Project Private Limited )
	IRB PS Highway Private Limited
	VK1 Expressway Private Limited (subsidiary upto October 12, 2022)
	VM7 Expressway Private Limited
	Palsit Dankuni Tollway Private Limited (incorporated on April 15, 2021) (subsidiary upto April 1, 2022)
	Pathankot Mandi Highway Private Limited (incorporated on 23 April 2021)
	Chittoor Thachur Highway Private Limited (incorporated on 13 October 2021)
	Samakhiali Tollway Private Limited (incorporated on March 14, 2023)
Meerut Budaun Expressway Limited (incorporated on January 5, 2022) (subsidiary upto October 14, 2022) (formerly known as Meerut Budaun Expressway Private Limited)	
<b>Joint-ventures</b>	MMK Toll Road Private Limited
	Meerut Budaun Expressway Limited (w.e.f. October 15, 2022) (formerly known as Meerut Budaun Expressway Private Limited)
	IRB Infrastructure Trust
	Subsidiaries of the Joint Venture - IRB Infrastructure Trust
	IRB Westcoast Tollway Limited
	Solapur Yedeshi Tollway Limited
	Yedeshi Aurangabad Tollway Limited
	IRB Hapur Moradabad Tollway Limited
	AE Tollway Limited
	Udaipur Tollway Limited
CG Tollway Limited	
Kishangarh Gulabpura Tollway Limited	
Kaithal Tollway Limited	
Palsit Dankuni Tollway Private Limited (wef April 2, 2022)	



## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Description of relationship	Names of related parties
<b>Key Management Personnel</b>	Mr. Virendra D. Mhaiskar, Chairman and Managing Director Mrs. Deepali V. Mhaiskar, Whole Time Director Mr. Sudhir Rao Hoshing, Joint Managing Director (upto December 29, 2021) and Chief Executive Officer Mr. Mukeshlal Gupta, Joint Managing Director (upto December 29, 2021) Mr. Jose Angel Tamariz Martel Goncer, Additional Non-Executive Director (wef December 29, 2021) Mr. Carlos Ricardo Ugarte Cruz Coke, Additional Non-Executive Director (wef December 29, 2021) and (upto August 5, 2022) Mr. Ravindra Dhariwal, Additional Non-Executive Director (wef August 5, 2022) Mr. Chandrashekhar S. Kaptan, Independent Director Mr. Sandeep Shah, Independent Director Mr. Sunil H. Talati, Independent Director Ms. Priti Savla, Independent Director (wef February 10, 2022) Mrs. Heena Raja, Independent Director (upto February 10, 2022) Mr. Tushar Kawedia, Chief Finance Officer Mr. Mehul N. Patel, Company Secretary
<b>Entities having significant influence</b>	Cintra INR Investments BV (subsidiary of Ferrovial SA) (w.e.f. 29 December 2021)
<b>Relatives of Key Management Personnel (Only with whom there have been transaction during the year and there was balance outstanding at the year end)</b>	Mrs. Sudha Dattatraya Mhaiskar (Mother of Mr. Virendra D. Mhaiskar)
<b>Enterprises Owned or significantly influenced by key management personnel or their relatives (Only with whom there have been transaction during the year and there was balance outstanding at the year end)</b>	IRB Holding Private Limited Cintra Servicios de Infraestructuras SA Ciinfra India Private Ltd SDM Ventures Private Limited DSM Projects Private Limited IRB Infrastructure Developers Limited Employees Group Gratuity Scheme

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### B) Related party transactions for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
1	<b>Contract revenue (road construction) (including Ind AS 115 Adjustment &amp; WIP)</b>										
	IRB Westcoast Tollway Limited	-	-	223.17	829.67	-	-	-	-	-	-
	IRB MP Expressway Private Limited	1,516.17	2,002.40	-	-	-	-	-	-	-	-
	IRB Goa Tollway Private Limited	-	3,464.36	-	-	-	-	-	-	-	-
	Udaipur Tollway Limited	-	-	-	471.92	-	-	-	-	-	-
	CG Tollway Limited	-	-	-	528.06	-	-	-	-	-	-
	Kishangarth Gulabpura Tollway Limited	-	-	224.79	1,042.73	-	-	-	-	-	-
	VK1 Expressway Private Limited	229.67	4,139.93	-	-	-	-	-	-	-	-
	IRB Hapur Moradabad Tollway Limited	4,696.69	2,203.61	55.10	5,309.76	-	-	-	-	-	-
	VM7 Expressway Private Limited	-	-	-	-	-	-	-	-	-	-
	Palsit Dankuni Tollway Private Limited	-	327.49	8,737.33	-	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	2,019.72	226.56	-	-	-	-	-	-	-	-
	Chittoor Thachur Highway Private Limited	1,356.62	145.78	-	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	6,699.81	-	7,291.26	-	-	-	-	-	-	-
	<b>Total</b>	<b>16,518.68</b>	<b>12,510.13</b>	<b>16,531.65</b>	<b>8,182.14</b>						

**NOTES TO STANDALONE FINANCIAL STATEMENTS**

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>2</b>	<b>Operation and maintenance revenue (excluding GST)</b>									
	IRB Westcoast Tollway Limited	-	-	584.73	211.25	-	-	-	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	210.00	199.73	-	-	-	-	-
	IRB MP Expressway Private Limited	888.66	844.55	-	-	-	-	-	-	-
	IRB Ahmedabad Vadodara Super Express Tollway Private Limited	314.11	299.11	-	-	-	-	-	-	-
	Solapur Yedeshi Tollway Limited	-	-	151.70	144.29	-	-	-	-	-
	Kaithal Tollway Limited	-	-	173.12	164.55	-	-	-	-	-
	AE Tollway Limited	-	-	319.64	303.93	-	-	-	-	-
	Udaipur Tollway Limited	-	-	180.27	172.77	-	-	-	-	-
	CG Tollway Limited	-	-	291.07	276.79	-	-	-	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	202.59	192.59	-	-	-	-	-
	VK1 Expressway Private Limited	64.00	-	-	-	-	-	-	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	75.00	71.87	-	-	-	-	-
	Paisit Dankuni Tollway Private Limited	-	-	175.89	-	-	-	-	-	-
	<b>Total</b>	<b>1,266.77</b>	<b>1,143.66</b>	<b>2,364.01</b>	<b>1,737.77</b>					
<b>3</b>	<b>Interest income on subordinate debt given</b>									
	IRB MP Expressway Private Limited	890.57	1,032.03	-	-	-	-	-	-	-
	<b>Total</b>	<b>890.57</b>	<b>1,032.03</b>							
<b>4</b>	<b>Fair value gain on measurement of other receivable</b>									
	IRB Infrastructure Trust	-	-	560.53	2,161.32	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>560.53</b>	<b>2,161.32</b>					

**NOTES TO STANDALONE FINANCIAL STATEMENTS**

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>5</b>	<b>Fair value adjustment on receipt of interest free long-term loan</b>									
	Ideal Road Builders Private Limited	-	91.93	-	-	-	-	-	-	-
	Aryan Toll Road Private Limited	67.03	95.77	-	-	-	-	-	-	-
	ATR Infrastructure Private Limited	115.51	239.31	-	-	-	-	-	-	-
	<b>Total</b>	<b>182.54</b>	<b>427.01</b>							
<b>6</b>	<b>Dividend income on long term investment</b>									
	Modern Road Makers Private Limited	394.88	-	-	-	-	-	-	-	-
	Aryan Toll Road Private Limited	140.00	-	-	-	-	-	-	-	-
	ATR Infrastructure Private Limited	220.00	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>754.88</b>	<b>-</b>							
<b>7</b>	<b>Corporate Guarantee Charges</b>									
	Modern Road Makers Private Limited	8.43	49.83	-	-	-	-	-	-	-
	<b>Total</b>	<b>8.43</b>	<b>49.83</b>							
<b>8</b>	<b>Contract and site expenses</b>									
	Modern Road Makers Private Limited	32,201.96	14,312.45	-	-	-	-	-	-	-
	<b>Total</b>	<b>32,201.96</b>	<b>14,312.45</b>							
<b>9</b>	<b>Operation and maintenance expenses</b>									
	Modern Road Makers Private Limited	3,591.08	3,531.77	-	-	-	-	-	-	-
	<b>Total</b>	<b>3,591.08</b>	<b>3,531.77</b>							

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. Particulars No.	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>10 Finance Cost - Interest unwinding-loan / Retention taken</b>										
Ideal Road Builders Private Limited	74.96	76.29	-	-	-	-	-	-	-	-
Aryan Toll Road Private Limited	58.75	15.75	-	-	-	-	-	-	-	-
ATR Infrastructure Private Limited	123.53	27.97	-	-	-	-	-	-	-	-
<b>Total</b>	<b>257.24</b>	<b>120.01</b>	-	-	-	-	-	-	-	-
<b>11 Professional Fees (expenses)</b>										
Cintra Servicios de Infraestructuras SA	-	-	-	-	-	-	-	-	107.31	-
Cintra India Private Ltd	-	-	-	-	-	-	-	-	246.19	-
<b>Total</b>	-	-	-	-	-	-	-	-	<b>353.50</b>	-
<b>12 Remuneration</b>										
Mr.Virendra D. Mhaiskar	-	-	-	-	167.20	82.47	-	-	-	-
Mrs.Deepali V. Mhaiskar	-	-	-	-	105.10	60.84	-	-	-	-
Mr. Sudhir Rao Hoshing	-	-	-	-	-	41.22	-	-	-	-
Mr. Tushar Kawedia	-	-	-	-	19.15	17.75	-	-	-	-
Mr. Mehul N. Patel	-	-	-	-	24.22	17.55	-	-	-	-
<b>Total</b>	-	-	-	-	<b>315.67</b>	<b>219.83</b>	-	-	-	-
<b>13 Director sittings fees paid (excluding GST)</b>										
Mr. C S Kaptan	-	-	-	-	0.65	0.94	-	-	-	-
Mr. Sandeep Shah	-	-	-	-	0.67	0.92	-	-	-	-
Mr. Sunil H Talati	-	-	-	-	0.47	0.69	-	-	-	-
Mrs. Priti Savla	-	-	-	-	0.47	0.07	-	-	-	-
Mrs. Heena Raja	-	-	-	-	-	0.25	-	-	-	-
Mr. Ravindra Dhariwal	-	-	-	-	0.20	-	-	-	-	-
<b>Total</b>	-	-	-	-	<b>2.46</b>	<b>2.87</b>	-	-	-	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. Particulars No.	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>14 Dividend paid</b>										
Mr. V.D.Mhaiskar	-	-	-	-	6.33	-	-	-	-	-
Mrs. D.V.Mhaiskar	-	-	-	-	2.02	-	-	-	-	-
Mrs. Sudha Dattatraya Mhaiskar	-	-	-	-	-	-	0.12	-	-	-
IRB Holding Private Limited	-	-	-	-	-	-	-	-	249.27	-
Cintra INR Investments BV (subsidiary of Ferrovial SA)	-	-	-	-	-	-	-	-	187.70	-
SDM Ventures Private Limited	-	-	-	-	-	-	-	-	0.23	-
DSM Projects Private Limited	-	-	-	-	-	-	-	-	0.23	-
<b>Total</b>	-	-	-	-	<b>8.35</b>	-	<b>0.12</b>	-	<b>437.43</b>	-
<b>15 Interest Expense on Advance Received</b>										
VK1 Expressway Private Limited	-	12.24	-	-	-	-	-	-	-	-
<b>Total</b>	-	<b>12.24</b>	-	-	-	-	-	-	-	-
<b>16 Non-convertible debentures acquired</b>										
Meerut Budaun Expressway Limited	-	-	707.20	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>707.20</b>	-	-	-	-	-	-	-
<b>17 Subordinated debt (interest free) given</b>										
IRB Sindhudurg Airport Private Limited	-	3,500.00	-	-	-	-	-	-	-	-
VK1 Expressway Private Limited	23.55	143.19	-	-	-	-	-	-	-	-
VM7 Expressway Private Limited	-	619.85	-	-	-	-	-	-	-	-
Pathankot Mandi Highway Private Limited	304.28	-	-	-	-	-	-	-	-	-
Chittoor Thachur Highway Private Limited	284.30	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>612.13</b>	<b>4,263.04</b>	-	-	-	-	-	-	-	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>18</b>	<b>Current loans (payable on demand and interest free) given</b>									
	IRB Infrastructure Trust	-	-	1,532.48	4,759.00	-	-	-	-	-
	Ideal Road Builders Private Limited	35.42	71.43	-	-	-	-	-	-	-
	Aryan Infrastructure Investments Private Limited	0.58	13.13	-	-	-	-	-	-	-
	IRB Kolhapur Integrated Road Development Company Private Limited	-	38.38	-	-	-	-	-	-	-
	Aryan Hospitality Private Limited	0.20	0.24	-	-	-	-	-	-	-
	IRB Sindhudurg Airport Private Limited	92.67	106.55	-	-	-	-	-	-	-
	IRB Goa Tollway Private Limited	49.25	-	-	-	-	-	-	-	-
	IRB PS Highway Private Limited	0.27	8.22	-	-	-	-	-	-	-
	MRM Mining Private Limited	-	49.68	-	-	-	-	-	-	-
	GE1 Expressway Private Limited	0.21	15.01	-	-	-	-	-	-	-
	VK1 Expressway Private Limited	135.89	539.29	-	-	-	-	-	-	-
	VM7 Expressway Private Limited	138.29	39.46	-	-	-	-	-	-	-
	Palsit Dankuni Tollway Private Limited	-	191.02	-	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	97.07	26.34	-	-	-	-	-	-	-
	Chittoor Thachur Highway Private Limited	8.99	-	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	301.04	6.68	820.30	-	-	-	-	-	-
	<b>Total</b>	<b>859.88</b>	<b>1,105.43</b>	<b>2,352.78</b>	<b>4,759.00</b>	-	-	-	-	-
<b>19</b>	<b>Subordinated debt repayment received</b>									
	VK1 Expressway Private Limited	1,220.50	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>1,220.50</b>	-	-	-	-	-	-	-	-
<b>20</b>	<b>Long-term loan (Subordinated debt) repayment received</b>									
	IRB MP Expressway Private Limited	-	1,360.26	-	-	-	-	-	-	-
	<b>Total</b>	-	<b>1,360.26</b>	-	-	-	-	-	-	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>21</b>	<b>Long-term loan given (Subordinated debt) (interest bearing)</b>									
	IRB MP Expressway Private Limited	-	13,185.00	-	-	-	-	-	-	-
	<b>Total</b>	-	<b>13,185.00</b>	-	-	-	-	-	-	-
<b>22</b>	<b>Payment received against interest receivable on subordinate debt given</b>									
	IRB MP Expressway Private Limited	1,845.12	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>1,845.12</b>	-	-	-	-	-	-	-	-
<b>23</b>	<b>Current loans (payable on demand and interest free) repayment received</b>									
	Ideal Road Builders Private Limited	35.42	71.43	-	-	-	-	-	-	-
	Aryan Infrastructure Investments Private Limited	14.27	-	-	-	-	-	-	-	-
	IRB Kolhapur Integrated Road Development Company Private Limited	-	427.52	-	-	-	-	-	-	-
	Aryan Hospitality Private Limited	0.22	202.28	-	-	-	-	-	-	-
	IRB Sindhudurg Airport Private Limited	126.83	600.00	-	-	-	-	-	-	-
	IRB Goa Tollway Private Limited	49.25	-	-	-	-	-	-	-	-
	IRB PS Highway Private Limited	0.27	59.20	-	-	-	-	-	-	-
	MRM Mining Private Limited	-	60.63	-	-	-	-	-	-	-
	GE1 Expressway Private Limited	0.21	49.52	-	-	-	-	-	-	-
	VK1 Expressway Private Limited	624.85	198.92	-	-	-	-	-	-	-
	VM7 Expressway Private Limited	60.39	92.29	-	-	-	-	-	-	-
	Palsit Dankuni Tollway Private Limited	180.47	10.55	-	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	68.35	-	-	-	-	-	-	-	-
	Chittoor Thachur Highway Private Limited	8.99	-	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	307.73	-	61.01	-	-	-	-	-	-

**NOTES TO STANDALONE FINANCIAL STATEMENTS**

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
	IRB Infrastructure Trust	-	-	267.50	4,828.83	-	-	-	-	-
	Mr. Sudhir Rao Hoshing	-	-	-	-	-	30.00	-	-	-
	<b>Total</b>	<b>1,477.25</b>	<b>1,772.34</b>	<b>328.51</b>	<b>4,828.83</b>	-	<b>30.00</b>	-	-	-
<b>24</b>	<b>Current loans (payable on demand and interest free) taken</b>									
	Modern Road Makers Private Limited	4,596.00	9,251.32	-	-	-	-	-	-	-
	Ideal Road Builders Private Limited	532.12	237.23	-	-	-	-	-	-	-
	Mhaiskar Infrastructure Private Limited	15,150.00	15,170.19	-	-	-	-	-	-	-
	Aryan Toll Road Private Limited	212.49	849.02	-	-	-	-	-	-	-
	ATR Infrastructure Private Limited	9.71	936.49	-	-	-	-	-	-	-
	Thane Ghodbunder Toll Road Private Limited	869.45	1,052.95	-	-	-	-	-	-	-
	IRB MP Expressway Private Limited	363.95	1.20	-	-	-	-	-	-	-
	IRB Kolhapur Integrated Road Development Company Private Limited	82.38	24.98	-	-	-	-	-	-	-
	IRB PS Highway Private Limited	2.36	3.04	-	-	-	-	-	-	-
	MRM Mining Private Limited	-	14.28	-	-	-	-	-	-	-
	IRB Infrastructure Private Limited	620.52	20.00	-	-	-	-	-	-	-
	GE1 Expressway Private Limited	-	1.80	-	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	386.69	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>22,825.67</b>	<b>27,562.50</b>	-	-	-	-	-	-	-
<b>25</b>	<b>Long Term loans taken (interest free)</b>									
	Aryan Toll Road Private Limited	500.00	500.00	-	-	-	-	-	-	-
	ATR Infrastructure Private Limited	460.00	1,136.00	-	-	-	-	-	-	-
	<b>Total</b>	<b>960.00</b>	<b>1,636.00</b>	-	-	-	-	-	-	-

**NOTES TO STANDALONE FINANCIAL STATEMENTS**

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>26</b>	<b>Current loans repayment</b>									
	Modern Road Makers Private Limited	4,325.10	20,508.13	-	-	-	-	-	-	-
	Ideal Road Builders Private Limited	56.81	205.33	-	-	-	-	-	-	-
	Mhaiskar Infrastructure Private Limited	15,296.58	16,641.66	-	-	-	-	-	-	-
	Aryan Toll Road Private Limited	861.35	1,352.25	-	-	-	-	-	-	-
	ATR Infrastructure Private Limited	700.91	1,888.91	-	-	-	-	-	-	-
	Thane Ghodbunder Toll Road Private Limited	866.39	973.38	-	-	-	-	-	-	-
	IRB MP Expressway Private Limited	10.00	1,245.00	-	-	-	-	-	-	-
	IRB Kolhapur Integrated Road Development Company Private Limited	97.92	-	-	-	-	-	-	-	-
	IRB Goa Tollway Private Limited	-	806.16	-	-	-	-	-	-	-
	IRB PS Highway Private Limited	2.36	3.04	-	-	-	-	-	-	-
	MRM Mining Private Limited	-	14.28	-	-	-	-	-	-	-
	IRB Infrastructure Private Limited	528.02	20.00	-	-	-	-	-	-	-
	GE1 Expressway Private Limited	-	1.80	-	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	386.69	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>23,132.13</b>	<b>43,659.94</b>	-	-	-	-	-	-	-
<b>27</b>	<b>Share application money given and allotment</b>									
	GE1 Expressway Private Limited	-	0.17	-	-	-	-	-	-	-
	VM7 Expressway Private Limited	-	644.65	-	-	-	-	-	-	-
	Palisit Dankuni Tollway Private Limited	-	0.50	-	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	316.21	0.50	-	-	-	-	-	-	-
	Chittoor Thachur Highway Private Limited	295.40	0.50	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	-	0.50	2,719.08	-	-	-	-	-	-
	Samakhyyali Tollway Private Limited	0.50	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>612.11</b>	<b>646.82</b>	<b>2,719.08</b>	-	-	-	-	-	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>28</b>	<b>Expenses incurred on behalf of (reimbursement)</b>										
	Modern Road Makers Private Limited	11.74	21.11	-	-	-	-	-	-	-	-
	IRB Infrastructure Trust	-	-	-	1.77	-	-	-	-	-	-
	ATR Infrastructure Private Limited	-	0.02	-	-	-	-	-	-	-	-
	IRB MP Expressway Private Limited	6.14	11.23	-	-	-	-	-	-	-	-
	IRB Goa Tollway Private Limited	-	5.42	-	-	-	-	-	-	-	-
	VM7 Expressway Private Limited	3.57	73.16	-	-	-	-	-	-	-	-
	Palsit Dankuni Tollway Private Limited	-	35.57	-	-	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	5.81	1.99	-	-	-	-	-	-	-	-
	Chittoor Thachur Highway Private Limited	2.94	-	-	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	72.31	1.87	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>102.51</b>	<b>150.37</b>	-	<b>1.77</b>	-	-	-	-	-	-
<b>29</b>	<b>General advance received</b>										
	Solapur Yedeshi Tollway Limited	-	-	-	32.34	-	-	-	-	-	-
	AE Tollway Limited	-	-	-	96.78	-	-	-	-	-	-
	Udaipur Tollway Limited	-	-	-	239.67	-	-	-	-	-	-
	CG Tollway Limited	-	-	-	154.58	-	-	-	-	-	-
	VK1 Expressway Private Limited	77.19	966.91	-	-	-	-	-	-	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	-	2,543.52	-	-	-	-	-	-
	VM7 Expressway Private Limited	1,215.07	-	-	-	-	-	-	-	-	-
	Palsit Dankuni Tollway Private Limited	-	-	3,824.42	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	-	-	1,870.76	-	-	-	-	-	-	-
	<b>Total</b>	<b>1,292.26</b>	<b>966.91</b>	<b>5,695.18</b>	<b>3,056.89</b>	-	-	-	-	-	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>30</b>	<b>Retention Money Released (Paid)</b>										
	Modern Road Makers Private Limited	5,627.77	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>5,627.77</b>	-	-	-	-	-	-	-	-	-
<b>31</b>	<b>Receipt against held up amount</b>										
	VM7 Expressway Private Limited	44.99	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>44.99</b>	-	-	-	-	-	-	-	-	-
<b>32</b>	<b>Investment - Units allotment</b>										
	IRB Infrastructure Trust	-	-	1,236.75	1,946.32	-	-	-	-	-	-
	<b>Total</b>	-	-	<b>1,236.75</b>	<b>1,946.32</b>	-	-	-	-	-	-
<b>33</b>	<b>Return on plan asset - Gratuity (Other comprehensive income)</b>										
	IRB Infrastructure Developers Limited Employees Group Gratuity Scheme	-	-	-	-	-	-	-	-	3.09	-
	<b>Total</b>	-	-	-	-	-	-	-	-	<b>3.09</b>	-
<b>34</b>	<b>Post-employment benefit plan (Gratuity)</b>										
	IRB Infrastructure Developers Limited Employees Group Gratuity Scheme	-	-	-	-	-	-	-	-	120.37	-
	<b>Total</b>	-	-	-	-	-	-	-	-	<b>120.37</b>	-
<b>35</b>	<b>Guarantees Given</b>										
	IRB MP Expressway Private Limited	51.50	44.60	-	-	-	-	-	-	-	-
	Modern Road Makers Private Limited	2,191.64	-	-	-	-	-	-	-	-	-
	VM7 Expressway Private Limited	-	965.25	-	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	-	-	1,512.00	-	-	-	-	-	-	-
	<b>Total</b>	<b>2,243.14</b>	<b>1,009.85</b>	<b>1,512.00</b>	-	-	-	-	-	-	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>36</b>	<b>Guarantees Cancelled</b>										
	Modern Road Makers Private Limited	-	4,194.14	-	-	-	-	-	-	-	-
	ATR Infrastructure Private Limited	-	8.90	-	-	-	-	-	-	-	-
	Ideal Road Builders Private Limited	0.50	-	-	-	-	-	-	-	-	-
	IRB Sindhudurg Airport Private Limited	1.00	-	-	-	-	-	-	-	-	-
	IRB Goa Tollway Private Limited	540.00	15.00	-	-	-	-	-	-	-	-
	AE Tollway Limited	-	-	-	460.00	-	-	-	-	-	-
	IRB MP Expressway Private Limited	-	380.40	-	-	-	-	-	-	-	-
	VM7 Expressway Private Limited	889.40	-	-	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	-	-	126.00	-	-	-	-	-	-	-
	<b>Total</b>	<b>1,430.90</b>	<b>4,598.44</b>	<b>126.00</b>	<b>460.00</b>						

### Terms and conditions of related parties transactions:

- All related party transactions entered during the year were in ordinary course of business and on arm's length basis. Outstanding balances as at year ended are unsecured and settlement occurs in cash.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 41 : Related party disclosures

Part C - Related Party Outstanding balances

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>1</b>	<b>Non-convertible debentures acquired</b>										
	Meerut Budaun Expressway Limited	-	-	707.20	-	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>707.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2</b>	<b>Subordinated debt (interest free) given</b>										
	IRB Sindhudurg Airport Private Limited	3,500.00	3,500.00	-	-	-	-	-	-	-	-
	IRB Goa Tollway Private Limited	1,173.11	1,173.11	-	-	-	-	-	-	-	-
	IRB Ahmedabad Vadodara Super Express Tollway Private Limited	10,833.33	10,833.33	-	-	-	-	-	-	-	-
	VK1 Expressway Private Limited	-	1,196.95	-	-	-	-	-	-	-	-
	VM7 Expressway Private Limited	619.85	619.85	-	-	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	304.28	-	-	-	-	-	-	-	-	-
	Chittoor Thachur Highway Private Limited	284.30	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>16,714.87</b>	<b>17,323.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>Long-term loan given (Subordinated debt) (interest bearing)</b>										
	IRB MP Expressway Private Limited**	11,824.74	11,824.74	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>11,824.74</b>	<b>11,824.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>4</b>	<b>Short-term demand loans ( interest free) given</b>									
	IRB Infrastructure Trust	-	-	4,872.91	3,607.93	-	-	-	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	167.90	167.90	-	-	-	-	-
	Aryan Infrastructure Investments Private Limited	-	13.69	-	-	-	-	-	-	-
	Anyan Hospitality Private Limited	-	0.02	-	-	-	-	-	-	-
	IRB Sindhudurg Airport Private Limited	-	34.16	-	-	-	-	-	-	-
	Solapur Yedeshi Tollway Limited	-	-	90.82	90.82	-	-	-	-	-
	Udaipur Tollway Limited	-	-	219.09	219.09	-	-	-	-	-
	VK1 Expressway Private Limited	-	488.96	-	-	-	-	-	-	-
	VM7 Expressway Private Limited	78.25	0.35	-	-	-	-	-	-	-
	Paisit Dankuni Tollway Private Limited	-	180.47	-	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	55.06	26.34	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	-	6.68	759.28	-	-	-	-	-	-
	<b>Total</b>	<b>133.31</b>	<b>750.67</b>	<b>6,110.00</b>	<b>4,085.74</b>					
<b>5</b>	<b>Interest receivable on subordinate debt given</b>									
	IRB MP Expressway Private Limited	-	993.22	-	-	-	-	-	-	-
	<b>Total</b>	-	<b>993.22</b>	-	-	-	-	-	-	-
<b>6</b>	<b>Interest payable on material advance taken</b>									
	VK1 Expressway Private Limited	-	4.77	-	-	-	-	-	-	-
	<b>Total</b>	-	<b>4.77</b>	-	-	-	-	-	-	-

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>7</b>	<b>Mobilisation advance given</b>									
	Modern Road Makers Private Limited	16.38	893.80	-	-	-	-	-	-	-
	<b>Total</b>	<b>16.38</b>	<b>893.80</b>	-	-	-	-	-	-	-
<b>8</b>	<b>Trade receivables</b>									
	IRB Westcoast Tollway Limited	-	-	142.43	372.56	-	-	-	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	529.54	574.33	-	-	-	-	-
	IRB Goa Tollway Private Limited	242.78	1,210.58	-	-	-	-	-	-	-
	IRB Ahmedabad Vadodara Super Express Tollway Private Limited	173.93	162.05	-	-	-	-	-	-	-
	Solapur Yedeshi Tollway Limited	-	-	144.14	144.14	-	-	-	-	-
	Udaipur Tollway Limited	-	-	25.86	25.86	-	-	-	-	-
	CG Tollway Limited	-	-	64.70	-	-	-	-	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	150.26	72.16	-	-	-	-	-
	VK1 Expressway Private Limited	-	283.53	-	-	-	-	-	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	70.88	-	-	-	-	-	-
	VM7 Expressway Private Limited	734.28	40.87	-	-	-	-	-	-	-
	Paisit Dankuni Tollway Private Limited	-	-	1,635.19	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	568.89	-	-	-	-	-	-	-	-
	Chittoor Thachur Highway Private Limited	3.47	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>1,723.35</b>	<b>1,697.03</b>	<b>2,763.00</b>	<b>1,189.05</b>					



## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>9</b>	<b>Other receivable</b>									
	Modern Road Makers Private Limited	0.89	11.68	-	-	-	-	-	-	-
	IRB Westcoast Tollway Limited	-	-	23.36	-	-	-	-	-	-
	Yedeshi Aurangabad Tollway Limited	-	-	133.59	125.20	-	-	-	-	-
	IRB MP Expressway Private Limited	50.84	-	-	-	-	-	-	-	-
	MMK Toll Road Private Limited	-	-	-	1.50	-	-	-	-	-
	IRB Goa Tollway Private Limited	-	5.42	-	-	-	-	-	-	-
	IRB Ahmedabad Vadodara Super Express Tollway Private Limited	12.55	-	-	-	-	-	-	-	-
	Solapur Yedeshi Tollway Limited	-	-	6.06	-	-	-	-	-	-
	Kaithal Tollway Limited	-	-	8.64	1.72	-	-	-	-	-
	AE Tollway Limited	-	-	18.17	25.40	-	-	-	-	-
	Udaipur Tollway Limited	-	-	22.16	20.60	-	-	-	-	-
	CG Tollway Limited	-	-	11.63	-	-	-	-	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	19.86	-	-	-	-	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	6.79	3.80	-	-	-	-	-
	IRB Infrastructure Trust	-	-	1.77	1.77	-	-	-	-	-
	VM7 Expressway Private Limited	1.78	66.84	-	-	-	-	-	-	-
	Palsit Dankuni Tollway Private Limited	-	23.87	262.85	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	4.62	1.98	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	-	1.86	641.44	-	-	-	-	-	-
	<b>Total</b>	<b>70.68</b>	<b>111.65</b>	<b>1,156.32</b>	<b>179.99</b>					

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>10</b>	<b>Deferred consideration receivable towards sale of subsidiaries</b>									
	IRB Infrastructure Trust	-	-	32,095.57	31,535.05	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>32,095.57</b>	<b>31,535.05</b>					
<b>11</b>	<b>Post employment benefit plan (Gratuity)</b>									
	IRB Infrastructure Developers Limited Employees Group Gratuity Scheme	-	-	-	-	-	-	-	-	123.20
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>123.20</b>
<b>12</b>	<b>Contract Assets</b>									
	IRB Westcoast Tollway Limited	-	-	(144.21)	744.13	-	-	-	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	-	1,089.97	-	-	-	-	-
	VK1 Expressway Private Limited	-	367.89	-	-	-	-	-	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	534.59	978.75	-	-	-	-	-
	Palsit Dankuni Tollway Private Limited	-	324.86	2,119.99	-	-	-	-	-	-
	VM7 Expressway Private Limited	662.02	536.91	-	-	-	-	-	-	-
	Pathankot Mandi Highway Private Limited	314.80	224.67	-	-	-	-	-	-	-
	Chittoor Thachur Highway Private Limited	1,039.13	142.72	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	-	-	3,268.65	-	-	-	-	-	-
	<b>Total</b>	<b>2,015.95</b>	<b>1,597.05</b>	<b>5,779.02</b>	<b>2,812.85</b>					

**NOTES TO STANDALONE FINANCIAL STATEMENTS**

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>13</b>	<b>Short-term loans taken</b>									
	Modern Road Makers Private Limited	1,498.09	1,227.19	-	-	-	-	-	-	-
	Ideal Road Builders Private Limited	507.21	31.90	-	-	-	-	-	-	-
	Mhaiskar Infrastructure Private Limited	15,013.00	15,159.58	-	-	-	-	-	-	-
	Aryan Toll Road Private Limited	200.13	849.00	-	-	-	-	-	-	-
	ATR Infrastructure Private Limited	9.50	700.70	-	-	-	-	-	-	-
	Thane Ghodbunder Toll Road Private Limited	865.40	862.34	-	-	-	-	-	-	-
	IRB MP Expressway Private Limited	1,151.28	797.33	-	-	-	-	-	-	-
	IRB Kolhapur Integrated Road Development Company Private Limited	9.45	24.98	-	-	-	-	-	-	-
	IRB Infrastructure Private Limited	528.02	435.52	-	-	-	-	-	-	-
	<b>Total</b>	<b>19,782.08</b>	<b>20,088.54</b>							
<b>14</b>	<b>Long-term loans (interest free) taken</b>									
	Ideal Road Builders Private Limited	754.16	679.20	-	-	-	-	-	-	-
	Aryan Toll Road Private Limited	1,047.27	555.55	-	-	-	-	-	-	-
	ATR Infrastructure Private Limited	1,588.54	1,120.52	-	-	-	-	-	-	-
	<b>Total</b>	<b>3,389.97</b>	<b>2,355.27</b>							
<b>15</b>	<b>Mobilisation advance from customer</b>									
	IRB Westcoast Tollway Limited	-	-	33.68	230.42	-	-	-	-	-
	Kishangarh Gulabpura Tollway Limited	-	-	-	205.38	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>33.68</b>	<b>435.80</b>					
<b>16</b>	<b>Retention money payable</b>									
	Modern Road Makers Private Limited	6,178.23	7,868.55	-	-	-	-	-	-	-
	<b>Total</b>	<b>6,178.23</b>	<b>7,868.55</b>							

**NOTES TO STANDALONE FINANCIAL STATEMENTS**

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>17</b>	<b>Advance from customers (including Ind AS 115 adjustment)</b>									
	AE Tollway Limited	-	-	81.57	81.57	-	-	-	-	-
	IRB Hapur Moradabad Tollway Limited	-	-	314.34	421.29	-	-	-	-	-
	Paisit Dankuni Tollway Private Limited	-	-	896.12	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,292.03</b>	<b>502.86</b>					
<b>18</b>	<b>Trade payable</b>									
	Modern Road Makers Private Limited	12,266.94	6,624.74	-	-	-	-	-	-	-
	Cintra Servicios de Infraestructuras SA	-	-	-	-	-	-	-	-	36.48
	Ciinfra India Private Ltd	-	-	-	-	-	-	-	-	30.71
	<b>Total</b>	<b>12,266.94</b>	<b>6,624.74</b>							<b>67.19</b>
<b>19</b>	<b>Other payables</b>									
	Mr. V D Mhaiskar	-	-	-	-	17.43	2.26	-	-	-
	Mrs. D V Mhaiskar	-	-	-	-	10.61	1.84	-	-	-
	Mr. Tushar Kawedia	-	-	-	-	0.02	0.29	-	-	-
	Mr. Mehul N. Patel	-	-	-	-	0.38	0.29	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.44</b>	<b>4.68</b>			
<b>20</b>	<b>Directors sitting fees payable</b>									
	Mr. C S Kaptan	-	-	-	-	-	0.06	-	-	-
	Mrs. Priti Savia	-	-	-	-	-	0.06	-	-	-
	Mr. Sandeep Shah	-	-	-	-	-	0.06	-	-	-
	Mr. Sunil H Talati	-	-	-	-	-	0.06	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.24</b>			

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Sr. No.	Particulars	Subsidiaries		Joint-venture		Key Management Personnel		Relatives of Key Management Personnel		Enterprises Owned or significantly influenced by key management personnel or their relatives	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
21	Guarantees given										
	Modern Road Makers Private Limited	8,658.89	6,467.25	-	-	-	-	-	-	-	-
	Ideal Road Builders Private Limited	-	0.50	-	-	-	-	-	-	-	-
	IRB MP Expressway Private Limited	736.90	685.40	-	-	-	-	-	-	-	-
	IRB Sindhudurg Airport Private Limited	1.50	2.50	-	-	-	-	-	-	-	-
	IRB Goa Tollway Private Limited	-	540.00	-	-	-	-	-	-	-	-
	VM7 Expressway Private Limited	602.35	1,491.75	-	-	-	-	-	-	-	-
	Palsit Dankuni Tollway Private Limited	-	1,409.80	1,409.80	-	-	-	-	-	-	-
	Meerut Budaun Expressway Limited	-	126.00	1,512.00	-	-	-	-	-	-	-
	<b>Total</b>	<b>9,999.64</b>	<b>10,723.20</b>	<b>2,921.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Terms and conditions of related parties transactions:

- All related party transactions entered during the year were in ordinary course of business and on arm's length basis. Outstanding balances as at year ended are unsecured and settlement occurs in cash.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 42 : Loans or advances to specified persons

Sr No.	Types of borrower	(₹ in Million)			
		March 31, 2023		March 31, 2022	
		Amount outstanding*	% of Total ^	Amount outstanding*	% of Total ^
1	Promoters	-	-	-	-
2	Directors	-	-	-	-
3	KMPs	-	-	-	-
4	Related Parties	477.81	2.64%	478.38	2.87%
<b>Total aggregate loans (refer note 5)</b>		<b>18,068.05</b>		<b>16,688.45</b>	

\* represents repayable on demand.

^ represents percentage to the total Loans and Advances in the nature of loan

There are no loan without specifying any terms or period of repayment in the current and previous year.

### Note 43 : Particulars in respect of loans given to subsidiaries and joint ventures as required by Regulation 34(3) and 53(f) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

Name of the Company	(₹ in Million)			
	Balances as at March 31, 2023	Maximum balance Outstanding during the year	Balances as at March 31, 2022	Maximum balance Outstanding during the year
<b>A) Loan given to Subsidiaries/ Joint Ventures</b>				
<b>a) Subordinated debt (deemed investment)</b>				
1 IRB Goa Tollway Private Limited	1,173.11	1,173.11	1,173.11	1,173.11
2 IRB Ahmedabad Vadodara Super Express Tollway Private Limited	10,833.33	10,833.33	10,833.33	10,833.33
3 VK1 Expressway Private Limited	-	1,220.50	1,196.95	1,196.95
4 IRB Sindhudurg Airport Private Limited	3,500.00	3,500.00	3,500.00	3,500.00
5 VM7 Expressway Private Limited	619.85	619.85	619.85	619.85
6 Pathankot Mandi Highway Private Limited	304.28	304.29	-	-
7 Chittoor Thachur Highway Private Limited	284.30	284.30	-	-
8 IRB MP Expressway Private Limited	-	-	-	13,185.00
<b>b) Non convertible debentures</b>				
1 Meerut Budaun Expressway Limited	707.20	707.20	-	-
<b>c) Long-term loan given (Subordinated debt) (interest bearing)</b>				
1 IRB MP Expressway Private Limited	11,824.74	11,824.74	11,824.74	13,185.00

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(₹ in Million)				
Name of the Company	Balances as at March 31, 2023	Maximum balance Outstanding during the year	Balances as at March 31, 2022	Maximum balance Outstanding during the year
<b>d) Current loans</b>				
1 Ideal Road Builders Private Limited	-	18.48	-	-
2 Aryan Infrastructure Investments Private Limited	-	14.28	13.69	13.69
3 IRB Kolhapur Integrated Road Development Company Private Limited	-	-	-	389.15
4 Aryan Hospitality Private Limited	-	0.15	0.02	202.28
5 IRB Sindhudurg Airport Private Limited	-	126.83	34.16	633.11
6 IRB Goa Tollway Private Limited	-	49.25	-	-
7 IRB PS Highway Private Limited	-	0.18	-	50.98
8 GE1 Expressway Private Limited	-	0.13	-	47.08
9 VK1 Expressway Private Limited	-	514.38	488.96	488.96
10 VM7 Expressway Private Limited	78.25	78.25	0.35	89.11
11 MRM Mining Private Limited	-	-	-	47.72
12 Yedeshi Aurangabad Tollway Limited	167.90	167.90	167.90	167.90
13 Solapur Yedeshi Tollway Limited	90.82	90.82	90.82	90.82
14 Udaipur Tollway Limited	219.09	219.09	219.09	219.09
15 IRB Infrastructure Trust	4,872.91	5,140.41	3,607.93	6,914.16
16 Palsit Dankuni Tollway Private Limited	-	180.47	180.47	180.47
17 Pathankot Mandi Highway Private Limited	55.06	55.06	26.34	26.34
18 Meerut Budaun Expressway Limited	759.28	759.28	6.68	6.68

### Note 44 : Donation

During the current period, donation given of ₹ 95.11 million (March 31, 2022: ₹ 73.47 million) which included donation to political party amounting to ₹ Nil (March 31, 2022 : ₹ Nil).

### Note 45 : Utilisation of proceeds from the issue of Equity shares and Non-Convertible Debenture

#### A. Equity shares - preferential allotment

During the year, the Company has raised a sum of ₹ Nil (March 31, 2022 : ₹ 53,466.39 million) by issuing of equity shares on preferential basis:

(₹ in Million)		
Particulars	March 31, 2023	March 31, 2022
Gross Proceeds received against equity shares allotment	-	53,466.39
Utilisation during the year		
Utilised for repayment of existing secured debt facilities	-	32,500.00
Utilised for Growth Capital Purpose/ General Corporate Purposes	-	20,966.39
<b>Balance unutilised</b>	-	-

The Company has duly complied with the requirements of Section 42 and Section 62 of the Act. The proceeds from issue of equity shares have been used for the purposes for which the funds were raised

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### B. Non-Convertible Debentures

During the year, the Company has raised a sum of ₹ Nil (March 31, 2022 : ₹ 3,500.00 million) by issuing Non-Convertible Debenture on a private placement basis-

(₹ in Million)		
Particulars	March 31, 2023	March 31, 2022
Net proceeds from the issue of Non-Convertible Debentures during the year	-	3,500.00
Balance unutilised amounts raised in previous year invested in mutual fund and fixed deposits	-	1,089.08
Utilisation during the year		
Utilised for investment in subsidiary company/Joint-Venture	-	4,566.40
Utilised for repayment of existing secured debt facilities	-	22.68
Utilised for general corporate purpose (including issue expenses)	-	-
<b>Balance unutilised amounts invested in mutual fund and fixed deposits</b>	-	-

### Note 46 : Other financial information - ratios

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

Sr. No.	Particulars	Note reference	March 31, 2023	March 31, 2022	% variance	Explanation for change in ratio for more than 25%
1	Current Ratio (in times)	a	0.75	0.74	0.38%	-
2	Debt – Equity Ratio (in times)	b	0.66 : 1	0.64 : 1	3.13%	-
3	Debt Service Coverage Ratio (in times)	c	1.97	0.36	447.63%	Debt Service Coverage Ratio increased on account of repayment of secured term loans and NCDs from proceeds of the private placement of equity shares during the previous year ended March 31, 2022.
4	Return on Equity (ROE) (in %)	d	4.27%	5.64%	-24.28%	-
5	Inventory Turnover Ratio	-	Not Applicable	Not Applicable	Not Applicable	-
6	Trade receivables turnover ratio (no. of days)	e	90.46	69.38	30.38%	Substantial revenue booked in later part of the previous year.
7	Trade payables turnover ratio (no. of days)	f	94.79	153.12	-38.10%	Substantial contract expense booked in later part of the previous year
8	Net profit ratio (in %)	g	8.95%	12.30%	-27.26%	Decrease in fair valuation of other receivables and revenue recognised against claims in the previous year
9	Net capital turnover ratio (in times)	h	(3.24)	(2.52)	28.46%	Increase on account of turnover during the year.
10	Return on capital employed (ROCE) (in %)	i	5.57%	8.20%	-32.03%	Decrease in operating margin due to revenue recognised against claims during the previous year and lower fair valuation gain of other receivables.
11	Return on investment (ROI) (in %)	j	3.88%	3.29%	17.93%	-

Note :

- a Current ratio (in times) : Current Assets / Current liabilities
- b Debt - Equity ratio : Total Debt divided by Shareholder's Equity

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

### Note 47 : Disclosure required for Borrowing based on security of current Assets

The Company has been sanctioned overdraft limits of ₹ 13,057.50 millions, in aggregate, from banks on the basis of security of fixed deposits placed with banks. The Company is not required to file quarterly returns or statements with such banks. The Company has not been sanctioned any fund base working capital limits from any financial institutions.

### Note 48 : Disclosure of Struck off companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

### Note 49 :

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. At the year end, the Company has reviewed and there are no long term contracts for which there are any material foreseeable losses.

### Note 50 : Other Statutory Information

- (a) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (b) The Company do not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (c) The Company is not declared as wilful defaulter by any bank of financial institution or other lenders.
- (d) The Company does not have any approved schemes of arrangements during the year
- (e) The Company has not traded or invested in Crypto currency or Virtual Currency during the current year.
- (f) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

## NOTES TO STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2023

### Note 51 : Events after reporting date

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

### Note 52 : Other Matter

Information with regard to the additional information and other disclosures to be disclosed by way of notes to Statement of Profit and Loss as specified in Schedule III to the Companies Act, 2013 is either 'nil' or 'not applicable' to the Company for the year.

As per our report of even date.

#### For M S K A & Associates

Chartered Accountants  
ICAI Firm Registration Number : 105047W

#### Siddharth Iyer

Partner  
Membership No.: 116084

#### For Gokhale & Sathe

Chartered Accountants  
ICAI Firm Registration Number : 103264W

#### Chinmaya Deval

Partner  
Membership No.: 148652

Place : Mumbai  
Date : May 19, 2023

For and on behalf of the Board of Directors of

**IRB Infrastructure Developers Limited**  
CIN : L65910MH1998PLC115967

#### Virendra D. Mhaikar

Chairman & Managing Director  
DIN: 00183554

#### Sudhir Rao Hoshing

Chief Executive Officer

#### Deepali V. Mhaikar

Whole Time Director  
DIN: 00309884

#### Tushar Kawedia

Chief Financial Officer

#### Mehul N. Patel

Company Secretary  
Membership No.: A14302

Place : Mumbai  
Date : May 19, 2023

## Form AOC-I

## Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures ( first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### Part "A": Subsidiaries

(Amount in ₹ Million)

Sr. Particulars No.	Name of the subsidiary company																						
	IRB Ideal Road Builders Private Limited	Modern Road Makers Private Limited	Thane Ghodabunder Toll Road Private Limited	Mhasikar Infrastructure Private Limited	IRB Infrastructure Private Limited	IRB MP Expressway Private Limited	ATR Infrastructure Private Limited	Aryan Toll Road Private Limited	Aryan Infrastructure Investment Private Limited	IRB Kohapur Integrated Road Development Company Private Limited	Aryan Hospitality Private Limited	IRB Sindhudurg Airport Private Limited	IRB Goa Tollway Private Limited	IRB PS Highway Private Limited	MRM Mining Private Limited	AIMS Vaddara Super Express Tollway Private Limited	GE1 Expressway Private Limited	VK1 Expressway Private Limited*	VM7 Expressway Private Limited	Prafrankot Mand Highway Private Limited	Chitbor Thachur Highway Private Limited	Meerut Budaun Expressway Limited**	Samakhijali Tollway Private Limited
1 Reporting period for the subsidiary	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	31.03.2023	14.10.2022	31.03.2023
2 Exchange rate	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
3 Share capital	610.00	310.95	300.00	1,050.00	100.00	3,595.00	517.50	450.00	1,732.28	1,680.55	0.10	0.10	346.00	0.50	15.00	3,780.00	0.68	645.15	316.71	2,959.90	284.30	2,959.90	0.50
4 Sub-Debt	-	-	-	-	-	-	-	-	-	-	-	3,500.00	1,303.37	-	-	13,141.93	-	619.85	304.29	284.30	-	-	-
5 Reserve & surplus	5,246.18	29,046.78	572.80	18,209.92	446.50	436.99	1,481.78	838.51	(36.04)	(1,398.04)	(60.87)	3,301.17	(777.78)	(34.3)	207.61	(9,104.92)	(0.89)	1,288.00	(38.62)	58.79	-	-	(0.11)
6 Total assets	6,020.15	48,072.41	872.96	19,535.41	554.10	75,669.24	2,001.79	1,302.31	1,711.01	282.61	114.10	7,802.41	1,814.70	0.09	250.55	1,864,06.39	0.06	7,260.76	2,150.49	2,043.30	-	-	0.43
7 Total liabilities	163.97	18,714.68	0.16	275.49	7.60	71,637.25	2.51	13.80	14.77	0.10	194.87	1,001.14	243.11	3.02	27.94	1,78,588.38	0.27	4,707.76	1,568.11	1,404.31	-	-	0.04
8 Investments	351.65	1,639.10	-	1,101.17	-	1,409.48	168.09	-	-	-	-	-	-	-	0.03	-	-	-	-	-	-	547.51	-
9 Turnover	726.34	37,760.02	0.42	471.05	100.87	14,276.94	123.55	58.82	-	0.50	4.22	5.90	-	-	262.46	6,402.79	-	1,025.37	6,015.15	2,401.30	1,485.65	7,072.87	-
10 Profit before taxation	538.45	7,022.73	(0.08)	488.38	49.36	1,422.68	(3.38)	(19.40)	(0.56)	(0.93)	(7.82)	(401.95)	(11.06)	(0.26)	23.25	(1,571.59)	(0.24)	(203.70)	1,109.88	(97.70)	78.66	205.81	(0.11)
11 Provision for taxation	165.89	1,841.56	1.08	-	1.03	304.28	42.04	(2.09)	-	(0.01)	-	-	-	0.03	6.47	-	-	39.03	279.33	0.72	19.80	51.80	-
12 Profit after taxation	372.56	5,161.17	(1.16)	488.38	48.33	1,118.40	(45.42)	(17.31)	(0.56)	(0.92)	(7.82)	(401.95)	(11.06)	(0.29)	16.78	(1,571.59)	(0.24)	(242.73)	830.55	(38.42)	58.86	154.01	(0.11)
13 Proposed Dividend	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
14 % of shareholding	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

## Notes:

- Names of subsidiaries which are yet to commence operations - Samakhijali Tollway Private Limited
- Names of the subsidiaries which have been liquidated or sold during the year - Applicable

Name of Company	Date of Transfer
VKI Expressway Private Limited *	October 12, 2022
Meerut Badaun Expressway limited **	October 14, 2022
Palsit Dankuni Tollway Private Limited	April 1, 2022

## Form AOC-I

## Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures ( first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

## Part "B": Joint Ventures

Sr. No.	Particulars	(₹ in Million)		
		MMK Toll Road Private Limited	Meerut Budaun Expressway Limited*	IRB Infrastructure Fund
1	Reporting period for the subsidiary	31.03.2023	31.03.2023	31.03.2023
2	Shares of Joint Ventures held by the Company on the Year End			
	(i) Number	35,70,000	27,19,57,500	44,84,39,840
	(ii) Amount of Investment in joint Venture	35.70	2,719.58	44,843.98
	(iii) Extent of Holding	51%	51%	51%
3	Description of how there is Significant Influence	The Company holds more than 20% of the total voting power	The Company holds more than 20% of the total voting power	The Company holds more than 20% of the total voting power
4	Reason why the associates/ Joint venture is not consolidated	Accounted as per Ind AS 28, share of profit considered under Equity Method	Accounted as per Ind AS 28, share of profit considered under Equity Method	Accounted as per Ind AS 28, share of profit considered under Equity Method
5	Net worth attributable to shareholding as per last audited Balance Sheet	45.63	2,893.25	39,542.50
6	Profit/ Loss for the Year	(13.35)	186.60	(2,271.60)
	(i) Considered in Consolidated	(6.81)	95.16	(1,158.51)
	(ii) Not considered in consolidation	-	-	-

\* Meerut Badaun Expressway limited w.e.f October 15, 2022





**Registered Office**

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