

KNR Muzaffarpur Barauni Tollway Private Limited
Balance Sheet as at March 31, 2023

(Rs. in Lakhs)

Particulars	Note	As at March 31 ,2023	As at March 31, 2022
I ASSETS			
1) NON-CURRENT ASSETS			
a) Property, plant and equipment	4	41.17	59.30
b) Intangible assets	4	30,276.38	33,222.50
c) Other non-current assets	5	12.97	3.82
Total Non-Current Assets		30,330.52	33,285.62
2) CURRENT ASSETS			
a) Financial assets			
i) Cash and cash equivalents	6	223.94	79.72
ii) Other Bank balances	7	1,344.77	1,185.81
iii) Other financial assets	8	798.77	805.10
b) Current Tax Assets (net)	9	18.43	23.15
c) Other current assets	10	3,273.84	3,273.38
Total Current Assets		5,659.75	5,367.16
TOTAL ASSETS		35,990.27	38,652.78
II EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	11	7,060.00	7,060.00
b) Instrument entirely equity in Nature	11.5	10,655.10	10,655.10
c) Other equity	12	(23,070.55)	(18,755.73)
Total Equity		(5,355.45)	(1,040.63)
LIABILITIES			
1) NON - CURRENT LIABILITIES			
a) Financial liabilities			
i) Borrowings	13	27,882.29	29,632.56
ii) Other financial liabilities	14	395.93	246.58
b) Provisions	15	4.45	2,980.12
Total Non-current Liabilities		28,282.67	32,859.26
2) CURRENT LIABILITIES			
a) Financial liabilities			
i) Borrowings	13	2,941.70	1,908.00
ii) Trade Payables	16	1,310.42	891.68
iii) Other financial liabilities	14	3,786.27	3,010.72
b) Other current liabilities	17	282.63	281.81
c) Provisions	15	4,742.03	741.94
Total current Liabilities		13,063.05	6,834.15
Total Liabilities		41,345.72	39,693.41
TOTAL EQUITY AND LIABILITIES		35,990.27	38,652.78

Notes referred to above form an integral part of the accounts
As per our report of even date attached

For MKPS & Associates,
Chartered Accountants
FRN: 302014E

Vikash Modi

Vikash Modi
Partner
Membership No: 216468
UDIN: 23216468B6H4HML8335



For and on behalf of the Board of Directors

K. Narsimha Reddy
K. Narsimha Reddy
Director
DIN: 00382412

Gaurav Jalan
Gaurav Jalan
Director
DIN: 01230012

K. Venkata Ram Rao
K. Venkata Ram Rao
Chief Financial Officer

R. Rama Laxmi
R. Rama Laxmi
Company Secretary

Place : Hyderabad
Date : 16-05-2023

KNR Muzaffarpur Barauni Tollway Private Limited
Statement of Profit And Loss For The Year Ended March 31, 2023

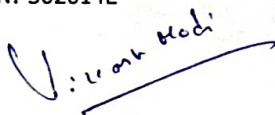
(Rs. in Lakhs)

PARTICULARS	Note	Year ended March 31, 2023	Year ended March 31, 2022
		Audited	Audited
I Gross Revenue from Operations	18	4,212.29	3,858.28
II Other income	19	75.39	127.47
III Total Revenue (I + II)		4,287.68	3,985.75
IV EXPENSES			
Operating And Maintenance Expenses	20	1,670.70	1,586.37
Employee benefits expense	21	56.06	55.60
Finance costs	22	3,530.65	3,528.73
Depreciation and amortization expense	4	2,965.52	2,968.60
Other expenses	23	380.03	220.89
Total expenses (IV)		8,602.96	8,360.19
V Profit before exceptional items and tax (III - IV)		(4,315.28)	(4,374.44)
VI Exceptional items		-	-
VII Profit/(Loss) before tax (V - VI)		(4,315.28)	(4,374.44)
VIII Tax expense			
1) Current tax		-	-
2) Adjustment of tax relating to earlier periods		-	-
3) Deferred tax		-	-
IX Profit (Loss) for the period (VII - VIII)		(4,315.28)	(4,374.44)
X OTHER COMPREHENSIVE INCOME			
Remeasurement of defined benefit obligation	24	0.47	2.64
Total Comprehensive Income for the period (IX+X)			
XI (Comprising Profit(Loss) and Other Comprehensive Income for the period)		(4,314.81)	(4,371.80)
XII Earnings per equity share : (In Rs.)			
1) Basic		(6.11)	(6.20)
2) Diluted		(6.11)	(6.20)

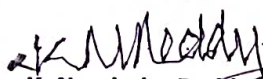
Notes referred to above form an integral part of the accounts
As per our report of even date attached


For MKPS & Associates,
Chartered Accountants
FRN: 302014E


For and on behalf of the Board of Directors



Vikash Modi
Partner
Membership No: 216468
UDIN: 23216468B6WHML8335




K. Narsimha-Reddy
Director
DIN: 00382412


Gaurav Jalan
Director
DIN: 01230012


K. Venkata Ram Rao
Chief Financial Officer


R. Rama Laxmi
Company Secretary

Place : Hyderabad
Date : 16-05-2023

KNR Muzaffarpur Barauni Tollway Private Limited
Statement of Changes in Equity for the Year ended March 31, 2023

A - Equity Share Capital

Particulars	No. of Shares in Lakhs	Amount in Rs. Lakhs
As at April 01, 2021	706.00	7,060.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the year	-	-
As at March 31, 2022	706.00	7,060.00
As at April 01, 2022	706.00	7,060.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	-	-
Changes in equity share capital during the year	-	-
As at March 31, 2023	706.00	7,060.00

B - Instruments entirely equity in nature

Particulars	(Rs. In Lakhs) Amount
Loan from Promoter	
As at April 01, 2021	10,655.10
Addition during the year	-
As at March 31, 2022	10,655.10
As at April 01, 2022	10,655.10
Addition during the year	-
As at March 31, 2023	10,655.10

C - Other Equity

Particulars	(Rs. In Lakhs)		
	Retained Earning	Other Comprehensive Income	Total
As at April 01, 2021	(14,383.04)	(0.89)	(14,383.93)
Total Comprehensive Income for the Year	(4,374.44)	2.64	(4,371.80)
As at March 31, 2022	(18,757.48)	1.75	(18,755.73)
As at April 01, 2022	(18,757.48)	1.75	(18,755.73)
Total Comprehensive Income for the Year	(4,315.28)	0.46	(4,314.82)
As at March 31, 2023	(23,072.76)	2.21	(23,070.55)

See accompanying Notes to financial statements
As per our report of even date attached
For **MKPS & Associates**
Chartered Accountants
(ICAI Registration No. 302014E)

For and on behalf of the Board of Directors

Vikash Modi
Partner
Membership No: 216468



K. Narsimha Reddy
Director
DIN: 00382412

Gaurav Jalan
Director
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K. Venkata Ram Rao
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R. Rama Laxmi
Company Secretary

Place : Hyderabad
Date : 16-05-2023

KNR Muzaffarpur Barauni Tollway Private Limited
Cash Flow Statement for the Half Year ended March 31, 2023

(Rs. in Lakhs)

PARTICULARS	Year ended March 31, 2023	Year ended March 31, 2022
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	(4,315.28)	(4,374.44)
Adjustments for		
Depreciation & Amortization Expenses	2,965.52	2,968.60
Actuarial gain/loss	0.47	2.64
Provision for MMR	666.67	595.24
(Gain)/loss on fair value/sale of Mutual funds	(7.46)	(1.32)
Un winding Interest on NHAI Premium	596.17	529.24
Un winding Interest on MMR	357.14	255.10
Un winding Processing fee	12.26	12.26
Modification Gain/Loss on NHAI Premium	2.03	-
Debit Balance Written off	-	0.11
Credit Balance Written back	-	(0.02)
Interest Cost & Other borrowing cost	2,563.05	2,732.13
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2,840.57	2,719.54
(Increase)/Decrease in Trade and Other Receivables	1.44	15.40
Increase/(Decrease) in Trade Payables and Other Liabilities	1,345.07	2,074.23
CASH GENERATED FROM OPERATIONS	4,187.08	4,809.17
Taxes paid	-	-
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	4,187.08	4,809.17
B) CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase)/Sale of Tangible/ Intangible asset under development	(1.28)	(10.92)
(Investment)/sale of Mutual funds and others	(151.51)	(55.01)
NET CASH USED IN INVESTING ACTIVITIES	(152.79)	(65.93)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Long Term Funds Repaid	(1,323.02)	(2,011.97)
Deferred Payment Liability	(4.00)	-
Finance Cost	(2,563.05)	(2,732.13)
NET CASH FROM FINANCING ACTIVITIES	(3,890.07)	(4,744.10)
Net change in Cash and Cash Equivalents (A+B+C)	144.22	(0.86)
Cash and Cash Equivalents at the beginning of the year	79.72	80.58
Cash and Cash Equivalents at the end of the year	223.94	79.72

Notes:

1 Components of Cash & Cash Equivalents

Cash in Hand	12.55	11.45
Bank Balance -Current Account	211.39	68.27
Deposits with Bank	-	-
	223.94	79.72

2 The Cash flow statement is prepared in accordance with the Indirect Method stated in IND-AS 7 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities.

3 Figures in brackets represent cash outflows.

See accompanying Notes to financial statements

As per our report of even date attached

For MKPS & Associates,

Chartered Accountants

FRN: 302014E

Vikash Modi

Vikash Modi

Partner

Membership No: 216468



For and on behalf of the Board of Directors

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DIN: 00382412

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DIN: 01230012

K. Venkata Ram Rao

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Chief Financial Officer

R. Rama Laxmi

R. Rama Laxmi

Company Secretary

Place : Hyderabad

Date : 16-05-2023

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the year ended March 31, 2023

1. Reporting Entity

KNR Muzaffarpur Barauni Tollways Private Limited (the 'Company') is a company domiciled in India with its registered office situated at KNR House, Phase - I, Kavuri hills, Hyderabad, Telangana. The Company has been incorporated under the provisions of the Companies Act, 1956 as a Special Purpose Vehicle ("SPV") promoted by KNR Constructions Limited ('KNR') and JKM Infra Projects Limited ('JKM').

The Company has entered into a Service Concession Arrangement ("SCA") with National Highway Authority of India ("NHAI") for Design, Build, Finance, Operate and Transfer (The "DBFOT") from KM 519.600 to KM 627.000 of NH-28 in the State of Bihar, Under NHDP - IV) on BOT (Toll) basis. The company achieved 75% Provisional COD with effect from 03rd June 2016 and 100% PCOD on 24th August 2017.

2. Basis of preparation

A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorized for issue by the Company's Board of Directors on 18-April-2023.

Details of the Company's accounting policies are included in Note 2.

B. Functional and presentation currency

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

C. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets (if any) less present value of defined benefit obligations

D. Current Assets and Current Liabilities

Current Assets:

An asset shall be classified as current when it satisfies any of the following criteria:

(a) It is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;

(b) It is held primarily for the purpose of being traded.

(c) It is expected to be realized within twelve months after the reporting date, or

(d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the year ended March 31, 2023

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

- (a) It is expected to be settled in the company's normal operating cycle;
- (b) It is held primarily for the purpose of being traded;
- (c) It is due to be settled within twelve months after the reporting date; or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other liabilities shall be classified as non-current.

E. Use of estimates and judgment

The preparation of these financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provisions for resurfacing obligations, fair value measurement etc.

F. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the director.

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

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the year ended March 31, 2023

G. Going Concern :

The company has recorded a net loss of Rs 4,315.28 lakhs and Rs 4,374.44 lakhs for the year ended 31st March 2023 and 31st March 2022 respectively. Further, the company net worth has eroded primarily due to NHAI Premium and high Interest on Loans.

Based on the Business plan/Revenue projections, the management is confident that the company will be able to generate sufficient profits in future years and meet its financial obligations as they arise. Hence, the management has adopted going concern basis for preparation of the financial statements.

3. Significant accounting policies

a. Property, plant and equipment

i. Recognition and measurement

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

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

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

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

ii. Subsequent expenditure

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

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment in the manner and as per the useful life prescribed under Schedule-II to the Act and is generally recognized in the statement of profit and loss. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

b. Intangible Asset under Service Concession Arrangements

i. Recognition and measurement

The Company recognizes an Intangible asset arising from a service concession arrangement to the extent it has a right to charge for use of the concession infrastructure. The fair value, at the time of initial recognition of such an Intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement, is regarded to be its cost. Subsequent to initial recognition the Intangible asset is measured at cost, less any accumulated amortization and accumulated impairment losses.

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the year ended March 31, 2023

ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

iii. Amortization

The Company has followed life-based amortization for intangible assets which are recognized under service concession arrangements, over the balance concession period.

iv. Accounting for negative grants

The company is required to make payments to the authority (NHAI) during the period of SCA which is called negative grant as per appendix to Ind-As 11, and the payment is in the form of fixed payment (annual throughout the SCA) and the company has recognized as a liability with a present value of annual payments payable during the SCA. And the same was capitalized to the intangible assets.

c. Financial instruments

i. Classification and subsequent measurement

Non-Derivative Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- FVOCI - debt investment;
- FVOCI - equity investment; or
- 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.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

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

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the year ended March 31, 2023

subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

ii. De-recognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

iii. Offsetting

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

iv. Non-derivative financial assets – service concession arrangements

The Company recognizes an intangible asset arising from a service concession arrangement when it has an unconditional contractual right to collect or receive cash or another financial asset from or at the direction of the grantor of the concession for the construction or upgrade services provided. Such intangible assets are measured at fair value upon initial recognition and classified as intangible.

d. Impairment

i. Impairment of financial instruments

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 amortized cost e.g., loans, debt securities, deposits, and bank balance.
- Trade receivables.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the year ended March 31, 2023

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the Balance Sheet

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

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss. Impairment loss recognized in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

e. Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Long Term and post employee benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the year ended March 31, 2023

- i. **Defined contribution plans:** The state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/payable under the schemes is recognized during the period in which the employee renders the related service.
- ii. **Defined benefit plans:** The employees' gratuity fund schemes, provident fund scheme managed by the Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.
The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re measurement, comprising actuarial gains and losses, the return on plan assets (excluding net interest) and any change in the effect of asset ceiling (wherever applicable) are recognized in other comprehensive income and is reflected immediately in retained earnings and is not reclassified to profit & loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expense at the earlier of the plan amendment or curtailment and when the Company recognizes related restructuring costs or termination benefits.

f. Leases

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

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the year ended March 31, 2023

readily determined, the Company uses borrowing rate. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease, the Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

g. Provisions (other than employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provision for major maintenance

Provisions are taken for contractual obligations to maintain the condition of infrastructure under concession, principally to cover the expense of major road repairs (surface courses, restructuring of slow lanes, etc.), bridges, tunnels etc. Provision for major maintenance is determined by discounting the expected maintenance expense spanning several years at a pre-tax rate that reflects the current market assessment of the time value and the risks specific to the liability and is updated annually. Provisions are also taken whenever recognized signs of defects are encountered on identified infrastructure.

h. Revenue recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" with the date of initial application being April 1, 2018. Ind AS 115, revenue from contracts with customers, mandatory for reporting period beginning on or after April 1, 2018 replaced existing revenue recognition requirements i.e. Ind AS 18 Revenue Recognition and Ind AS 11 Construction Contracts. There were no significant adjustments required to the retained earnings as on April 1, 2018.

Accordingly, the policy for Revenue is amended as under:

The Company derives revenue primarily from toll collection and other miscellaneous construction contracts. Toll collections from the users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is accounted for based on completion of the performance obligation which largely coincides with actual toll collection from the user. Revenue from sale of smart cards is accounted on recharge basis.

To recognize revenue, the Company applies the following five step approach:

- (1) Identify the contract with a customer
- (2) Identify the performance obligations in the contract
- (3) Determine the transaction price
- (4) Allocate the transaction price to the performance obligation in the contract, and
- (5) Recognize revenue when a performance obligation is satisfied.

Others

Dividend & Interest income are recognized when the right to receive is established. Other items of income are accounted as and when the right to receive arises and recovery is certain.

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the year ended March 31, 2023

i. Income tax

Income tax comprises of current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i. Current tax

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

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

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

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes 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 realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized, or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

j. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the year ended March 31, 2023

k. Segment reporting

The Board of Directors assess the financial performance of the Company and makes strategic decisions and has been identified as being the Chief Operating Decision Maker (CODM). Based on the internal reporting provided to the CODM, the Company has only one reportable segment i.e. the BOT road project and hence no separate disclosures are required under Ind AS 108.

l. Earnings per share

The basic earnings per share ("EPS") for the year is computed by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the profit after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

m. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets have to be recognized in the financial statements in the period in which if it is virtually certain that an inflow of economic benefits will arise. Contingent assets are assessed continually, and no such benefits were found for the current financial year.

n. Cash flow statement

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

o. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in Balance Sheet.

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the Year ended March 31, 2023

3 PROPERTY, PLANT AND EQUIPMENT

(Rs. In Lakhs)

Particulars	Tangible Assets					
	Computers	Furniture & Fixtures	Office Equipment	Buildings	Vehicles	Total
Cost						
As at April 1, 2022	17.28	4.30	93.60	17.87	9.51	142.56
Additions	1.28	-	-	-	-	1.28
Disposals/Adjustments	-	-	-	-	-	-
As at March 31, 2023	18.56	4.30	93.60	17.87	9.51	143.84
Depreciation						
As at April 1, 2022	11.40	2.06	60.22	3.61	5.99	83.27
Additions	2.38	0.40	14.06	1.28	1.29	19.40
Disposals/Adjustments	-	-	-	-	-	-
As at March 31, 2023	13.78	2.46	74.28	4.89	7.28	102.67
Net block						
As at March 31, 2023	4.78	1.84	19.32	12.98	2.23	41.17
As at April 1, 2022	5.88	2.24	33.39	14.26	3.52	59.30

(Rs. In Lakhs)

Particulars	Tangible Assets					
	Computers	Furniture & Fixtures	Office Equipment	Buildings	Vehicles	Total
Cost						
As at April 1, 2021	15.38	4.30	84.58	17.87	9.51	131.64
Additions	1.90	-	9.02	-	-	10.92
Disposals/Adjustments	-	-	-	-	-	-
As at March 31, 2022	17.28	4.30	93.60	17.87	9.51	142.56
Depreciation						
As at April 1, 2021	8.34	1.59	43.82	2.33	4.70	60.79
Additions	3.06	0.46	16.40	1.28	1.29	22.48
Disposals/Adjustments	-	-	-	-	-	-
As at March 31, 2022	11.40	2.06	60.22	3.61	5.99	83.27
Net block						
As at March 31, 2022	5.88	2.24	33.39	14.26	3.52	59.30
As at April 1, 2021	7.04	2.71	40.76	15.54	4.81	70.86

4 INTANGIBLE ASSETS

(Rs. In Lakhs)

Particulars	Carriage Way	Intangible assets under development	Total
	Cost		
As at April 1, 2022	49,612.54	-	49,612.54
Additions	-	-	-
Disposals/Adjustments	-	-	-
As at March 31, 2023	49,612.54	-	49,612.54
Depreciation			
As at April 1, 2022	16,390.04	-	16,390.04
Additions	2,946.12	-	2,946.12
Disposals	-	-	-
As at March 31, 2023	19,336.16	-	19,336.16
Net block			
As at March 31, 2023	30,276.38	-	30,276.38
As at April 1, 2022	33,222.50	-	33,222.50

(Rs. In Lakhs)

Particulars	Carriage Way	Intangible assets under development	Total
	Cost		
As at April 1, 2021	49,612.54	-	49,612.54
Additions	-	-	-
Disposals/Adjustments	-	-	-
As at March 31, 2022	49,612.54	-	49,612.54
Depreciation			
As at April 1, 2021	13,443.92	-	13,443.92
Additions	2,946.12	-	2,946.12
Disposals	-	-	-
As at March 31, 2022	16,390.04	-	16,390.04
Net block			
As at March 31, 2022	33,222.50	-	33,222.50
As at April 1, 2021	36,168.62	-	36,168.62

KNR Muzaffarpur Barauni Tollway Private Limited

Notes to the financial statements for the Year ended March 31, 2023

5 - OTHER NON-CURRENT ASSETS

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31, 2023	March 31, 2022
GST Input	9.15	-
Other Deposits	3.82	3.82
Total	12.97	3.82

6 - CASH AND CASH EQUIVALENTS

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31, 2023	March 31, 2022
Balances with banks: in current accounts	211.39	68.27
Cash on hand	12.55	11.45
Total	223.94	79.72

7 - Other Bank Balances

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31, 2023	March 31, 2022
Fixed deposits	1,344.77	1,185.81
Total	1,344.77	1,185.81

8 - OTHER FINANCIAL ASSET

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31, 2023	March 31, 2022
CURRENT		
Receivable from NHAI	183.85	190.18
Amount receivable from Related Parties Receivable from JKM - DLP	614.92	614.92
Total	798.77	805.10

9 - CURRENT TAX ASSETS (net)

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31, 2023	March 31, 2022
Un-secured Considered good		
TDS Receivable	18.40	23.08
TCS Receivable	0.03	0.07
Total	18.43	23.15

10 - OTHER CURRENT ASSETS

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31, 2023	March 31, 2022
Un-secured Considered good		
Amount receivable from Related Parties Advance to EPC Contractor - Related party	3,246.34	3,246.34
Salary Advance & Staff Imprest	2.10	1.06
Prepaid Expenses	17.54	17.31
Other Advances	7.86	8.67
Total	3,273.84	3,273.38

11 - EQUITY CAPITAL

PARTICULARS	As at March 31, 2023		As at March 31, 2022	
	No. of Shares in Lakhs	Amount in Lakhs	No. of Shares in Lakhs	Amount in Lakhs
EQUITY SHARE CAPITAL				
Authorised Share capital 706,00,000 Equity Shares of Rs. 10/- each	706.00	7,060.00	706.00	7,060.00
Issued, subscribed & fully paid share capital 706,00,000 Equity Shares of Rs. 10/- each	706.00	7,060.00	706.00	7,060.00
Total		7,060.00		7,060.00

Terms/ Rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/-per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend, if any proposed by the board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting.

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 preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders

11.1 The reconciliation of the number of shares outstanding at the beginning and at the end of the Year is set out below

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares in Lakhs	Amount in Lakhs	No. of Shares in Lakhs	Amount in Lakhs
Number of Equity Shares at the beginning	706.00	7060.00	706.00	7,060.00
Add:- Number of Shares Issued	-	-	-	-
Less: Number of Shares Brought Back	-	-	-	-
Number of Equity Shares at the end of the year	706.00	7060.00	706.00	7,060.00

11.2 The details of shareholder holding by Holding company and its ultimate holding company as at March 31, 2023 and March 31, 2022 is set out below:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares in Lakhs	% held	No. of Shares in Lakhs	% held
KNR Muzaffarpur Holdings Private limited-Holding Company	355.47	50.35	355.47	50.35
KNR Constructions Limited & its nominee-Ultimate Holding Company	4.59	0.65	4.59	0.65
	360.06	51.00	360.06	51.00

11.3 The details of shareholder holding more than 5% shares as at March 31, 2023 and March 31, 2022 is set out below:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Shares in Lakhs	% held	No. of Shares in Lakhs	% held
JKM Infra Projects Limited*	345.94	49.00	345.94	49.00
KNR Muzaffarpur Holdings Private limited-Holding Company	355.47	50.35	355.47	50.35
	701.41	99.35	701.41	99.35

* Out of above shares, 1,65,70,560 Shares of JKM Infra projects Limited have been pledged to KNR Constructions Limited.

11.4 The shareholding pattern of promoters at the end of the year as follows:

Name of the shareholder	As at March 31, 2023			As at March 31, 2022		
	No. of Shares in Lakhs	% Of Total Shares	% Change during the year	No. of Shares in Lakhs	% Of Total Shares	% Change during the year
KNR Constructions Limited & its nominees	706.00	100%	-	706.00	100%	-
	706.00	100%	-	706.00	100%	-

11.5 - Instrument entirely equity in Nature

PARTICULARS	(Rs. In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Loan from Promotor Company		
KNR Constructions Ltd	5,276.50	5,276.50
KNR Muzaffarpur Holdings Pvt Ltd	3,683.50	3,683.50
JKM Infra Projects Ltd	1,695.10	1,695.10
Balance at the end of the period	10,655.10	10,655.10

Foot Note : Borrowings from JKM Infra Projects Limited, KNR Constructions Limited and KNR Muzaffarpur Holding Private Limited are in the nature of sub-debt were recognised as a form of equity contribution from the respective parties, and the same was repayable after satisfaction of senior Debt and at the option of the company.

12 - OTHER EQUITY

PARTICULARS	(Rs. In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
i) Surplus in the statement of profit and loss		
Balance at the beginning of the period	(18,757.48)	(14,383.04)
Add: Total Comprehensive Income	(4,315.28)	(4,374.44)
	(23,072.76)	(18,757.48)
ii) Other Comprehensive Income - Gratuity	2.21	1.75
Balance at the end of the period (I+II)	(23,070.55)	(18,755.73)

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the Year ended March 31, 2023

13 - BORROWINGS

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31,2023	March 31 ,2022
NON - CURRENT		
Secured loans		
From banks (Refer Foot Note)		
Term loans	22,585.87	24,930.34
Un Secured - Deferred Payment Liability		
Premium Payable - NHAI	5,296.42	4,702.22
Total non-current borrowings	27,882.29	29,632.56
CURRENT		
Secured loans		
From banks (Refer Foot Note)		
Term loans	2,941.70	1,908.00
Total current borrowings	2,941.70	1,908.00
Total	30,824.00	31,540.56

Foot Note

I) Terms of Security

- Mortgage /charge over the company's immovable and movable properties (other than project assets but including all receivables) both present and future;
- ii Charge/assignment of revenues receivables
- iii Charge over /assignment of the rights, titles and interests of the company In to and In respect of all project agreements (in accordance with concession agreement).
- iv Assignment of insurance policies, interest, benefits, claims, guarantees ,performance bonds and liquidated damages;
- v Pledge of 51% of the fully paid up Equity share capital of the company;
- The aforesaid charge will rank Pari - Passu with the mortgages and charges created/to be created in favor of participating institutions/banks.
- vi Sponsor has provided a Corporate Guarantee to the tune of 20% of the outstanding Term Loan debt.

II) Terms of Repayment of Project Loan

The above loan is repayable in fifty quarterly unequal installments ranging from 0.16 crores to 10.94 crores beginning from 1st January, 2017 to 1st April, 2030. The numbers of balance installments as on 31st March, 2023 are 28. The interest charged by the lenders is at 10.35% p.a. and Interest is payable monthly.

14 - OTHER FINANCIAL LIABILITES

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31,2023	March 31 ,2022
Non - CURRENT		
Interest on Premium Payable - NHAI	395.93	246.58
CURRENT		
Current maturities of long-term debts:		
Interest accrued and due on borrowings	-	-
Amount payable to Related Parties		
Expenses Payable - JKM Infra	21.50	21.50
Expenses Payable - KNR Constructions Limited	3,279.76	2,507.48
Retention Deposit -JKM Infra Projects Ltd	425.00	425.00
Salaries Payable	7.56	7.72
Other Payables	52.45	49.02
Total current other financial liabilities	3,786.27	3,010.72
Total	4,182.20	3,257.29

15 - PROVISIONS

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31,2023	March 31 ,2022
NON - CURRENT		
Provision for employee benefits		
Gratuity	4.45	3.93
Provision for Major Maintanance		2,976.19
	4.45	2,980.12
CURRENT		
Provision for Capital Expenditure (Refer Foot Note)	741.50	741.50
Provision for Gratuity	0.53	0.44
Provision for Major Maintanance	4,000.00	-
	4,742.03	741.94
Total provisions	4,746.48	3,722.06

Foot Note: During the FY 2017-18 Company has received the 100% PCOD, and Rs. 741.50 lakhs pending for certification, hence provision has been made and capitalised, and the certification is pending till the date.

Movement of Provision for Major Maintenance

PARTICULARS	As at	
	March 31,2023	March 31 ,2022
Balance as at 1 April	2,976.19	2,125.85
Provision made during the year	666.67	595.24
Un winding Interest on MMR	357.14	255.10
Provision utilised during the year	-	-
Provision reversed during the year	-	-
Balance as at 31 March 2023	4,000.00	2,976.19

16 - Trade Payables

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31,2023	March 31 ,2022
Amount payable to Related Parties	1,014.42	824.00
KNR Constructions Limited	296.00	67.68
Creditors for expenses	1,310.42	891.68
Total current borrowings	1,310.42	891.68
Total	1,310.42	891.68

Note:11.1: Ageing of Trade Payables

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	
	MSME	-	-	-	
Others	837.99	472.43	-	-	1,310.42
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-

March 31 ,2022

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 yrs.	2-3 yrs.	More than 3 years	
	MSME	-	-	-	
Others	562.47	329.22	-	-	891.68
Disputed Dues-MSME	-	-	-	-	-
Disputed Dues-Others	-	-	-	-	-

17 - OTHER CURRENT LIABILITIES

(Rs. In Lakhs)

PARTICULARS	As at	
	March 31,2023	March 31 ,2022
Mobilization Advance -NHAI	276.16	276.16
Statutory Dues	6.47	5.65
Total	282.63	281.81

KNR Muzaffarpur Barauni Tollway Private Limited
Notes to the financial statements for the Year ended March 31, 2023

18 - REVENUE FROM OPERATIONS

PARTICULARS	(Rs. In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Toll Revenue		
Less: Revenue on account of Cash Collection	4,370.26	3,858.28
Total	4,212.29	3,858.28

19 - OTHER INCOME

PARTICULARS	(Rs. In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Credit balances Written back	-	0.02
Gain/(Loss) on FV of Mutual funds	7.46	1.32
Interest From FDR	65.83	62.59
Interest on IT Refund	0.65	0.70
Foreign Currency Transaction (Gain)	-	-
Other Income	1.45	62.84
Total	75.39	127.47

20 - OPERATING AND MAINTENANCE EXPENSES

PARTICULARS	(Rs. In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Operation and Maintenance expenses - Routine	549.99	503.57
Toll Maintenance Expenditure -		
- Toll Operating Charges	215.15	215.92
- Security Charges	48.22	45.45
- Power & Fuel	18.20	15.24
- Mess Expenses	33.96	29.66
- NMR & Labour expenses	63.42	47.38
- Electricity Charges	26.35	25.98
- AMC for Toll Equipment	34.13	32.05
- Printing & Stationery	3.41	2.73
- Other Expenses	5.03	4.57
Repairs & Maintenance	6.17	68.58
Provision for MMR	666.67	595.24
Total	1,670.70	1,586.37

21 - EMPLOYEE BENEFITS EXPENSE

PARTICULARS	(Rs. In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, Wages and Other Benefits	51.82	51.04
Contribution to Provident and Other Funds	3.08	3.00
Staff welfare Expenses	1.16	1.56
Total	56.06	55.60

22 - FINANCE COSTS

PARTICULARS	(Rs. In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Interest on Term Loans	2,378.09	2,635.54
Other Borrowing Cost		
Interest on Premium NHAI	165.94	87.25
Un winding interest on NHAI Premium	596.17	529.24
Un winding interest on MMR	357.14	255.10
Un winding Processing Fee	12.26	12.26
Other Borrowing Charges	19.02	9.34
Modification gain/loss on NHAI Premium	2.03	-
Total	3,530.65	3,528.73

23 - OTHER EXPENSES

PARTICULARS	(Rs. In Lakhs)	
	Year ended March 31 ,2023	Year ended March 31 ,2022
Travelling & Conveyance (includes Boarding & Lodging Expenses)	3.58	1.15
Postage & Telegrams	0.05	0.07
Rating Fee	-	5.61
Donation	0.05	0.15
Advertisement and publicity	1.25	1.68
Legal & Professional Charges	13.38	29.08
Interest on TDS & Servicetax	0.00	0.00
Insurance	67.82	84.57
Rates and taxes excluding taxes of Income	0.06	0.55
Audit fee	5.43	4.72
Consultancy Expenses	32.68	0.25
Hire Charges	0.35	0.29
Repairs & Maintenance	8.06	70.82
GST Expenses	-	17.70
Service Tax Expenses	-	2.40
Receivable written off	-	0.11
Land Lease Charges	0.93	0.22
Professional Tax Charges	0.21	-
Reimbursement of Expenses	3.72	-
Other Expenses	242.46	1.52
Total	380.03	220.89

24 - OTHER COMPREHENSIVE INCOME

PARTICULARS	(Rs. In Lakhs)	
	Year ended March 31 ,2023	Year ended March 31 ,2022
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit obligation	0.47	2.64
	0.47	2.64

25 Capital management

The Company's policy is to maintain a strong capital base so as to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and for the future development of the Company. In order to maintain or achieve an optimal capital structure, the Company may adjust the amount of dividend payment, return on capital to shareholders, issue of new shares or infusion of loan entirely equity in nature. The Company's adjusted net debt to equity ratio at 31 March 2023 and 31 March 2022 was as follows

	March 31, 2023	March 31, 2022
Debt	25,527.57	26,838.34
Less: cash and bank balances	(1,568.72)	(1,265.52)
Adjusted net debt	23,958.85	25,572.82
Total equity	(5,355.45)	(1,040.63)
Adjusted equity	(5,355.45)	(1,040.63)
Adjusted net debt to adjusted equity ratio	(4.47)	(24.57)

Foot Note : Debt includes Long Term Borrowings (Including Current Maturities and excluding deferred payment liabilities) and Interest accrued there on.

26 Financial Instruments - Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	March 31, 2023			March 31, 2022				
	Carrying amount	FVTPL	Amortised Cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and Cash equivalents	-	223.94	-	223.94	-	-	-	-
Other Bank balances	-	1,344.77	-	1,344.77	-	-	1,344.77	1,344.77
Other financial Assets	-	798.77	-	798.77	-	-	798.77	798.77
Financial liabilities								
Secured bank loans	-	2,367.48	-	2,367.48	-	-	2,143.54	2,143.54
NHAI Premium Payable	-	25,527.57	-	25,527.57	-	-	25,527.57	25,527.57
Trade payables	-	5,296.42	-	5,296.42	-	-	5,296.42	5,296.42
Other financial liabilities	-	1,310.42	-	1,310.42	-	-	1,310.42	1,310.42
	-	4,182.20	-	4,182.20	-	-	4,182.20	4,182.20
	-	36,316.61	-	36,316.61	-	-	36,316.62	36,316.62

The carrying amount of financial asset and liability is measured at amortized cost are considered to be the same as their fair values due to their short term nature.

The Carrying value of Rupee term loans are at approximate fair value as the instruments are at prevailing market rate

	March 31, 2022			March 31, 2023				
	Carrying amount	FVTPL	Amortised Cost	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and Cash equivalents	-	79.72	-	79.72	-	-	-	-
Other Bank balances	-	1,185.81	-	1,185.81	-	-	1,185.81	1,185.81
Other financial Assets	-	805.10	-	805.10	-	-	805.10	805.10
Financial liabilities								
Secured bank loans	-	2,070.62	-	2,070.62	-	-	1,990.90	1,990.90
NHAI Premium Payable	-	26,838.34	-	26,838.34	-	-	26,838.34	26,838.34
Trade payables	-	4,702.22	-	4,702.22	-	-	4,702.22	4,702.22
Other financial liabilities	-	891.68	-	891.68	-	-	891.68	891.68
	-	3,257.31	-	3,257.31	-	-	3,257.31	3,257.31
	-	35,689.55	-	35,689.55	-	-	35,689.55	35,689.55

The carrying amount of financial asset and liability is measured at amortized cost are considered to be the same as their fair values due to their short term nature.

The Carrying value of Rupee term loans are at approximate fair value as the instruments are at prevailing market rate

27 Financial instruments - Fair values and risk management

B. Financial risk management

The Company has exposure to the following risks arising from financial Instruments:

- a) credit risk
- b) liquidity risk
- c) market risk

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze 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 Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Board oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board is assisted in its oversight role by Internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments in debt securities.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Trade receivables

The Company generally does not have trade receivable as collection of toll income coincide as and when the traffic passes through toll plazas. Hence, the management believes that the company is not exposed to any credit risk.

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimizing its cash return on investments.

Exposure to liquidity risk

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

March 31, 2023 (Rs. In Lakhs)

	Carrying Amount	Contractual Cashflows		
		Upto 1 Year	1 to 3 Years	More than 3 year
Non-derivative financial liabilities				
Secured bank loans	25,527.57	5,407.14	11,269.00	18,273.41
NHAI Premium Payable	5,296.42	-	359.00	4,937.42
Trade payables	1,310.42	1,310.42	-	-
Other financial liabilities	4,182.20	4,182.20	-	-
	36,316.61	10,899.76	11,628.00	23,210.83

March 31, 2022 (Rs. In Lakhs)

	Carrying Amount	Contractual Cashflows		
		Upto 1 Year	1 to 3 Years	More than 3 year
Non-derivative financial liabilities				
Secured bank loans	26,838.34	4,603.01	10,902.52	24,047.03
NHAI Premium Payable	4,702.22	-	-	4,702.22
Trade payables	891.68	891.68	-	-
Other financial liabilities	3,257.31	3,257.31	-	-
	35,689.55	8,752.00	10,902.52	28,749.25

c) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Foreign Currency Risk

Foreign Currency risk is the risk that fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company is not exposed to foreign currency risk as it has no borrowing or no material payables in foreign currency

Interest rate risk

Interest rate risk is the risk that fair value of future cashflow of a financial instrument will fluctuate because of changes in market interest rates.

The interest risk arises to the company mainly from long term borrowings with variable rates. The Company measures risk through sensitivity analysis.

The Company is exposed to interest rate risk as it has variable interest rate borrowings.

The company's exposure to interest rate risk due to borrowings is as follows:

Particulars	Note No.	(Rs. In lakhs)	
		March 31, 2023	March 31, 2022
Borrowings outstanding	13	22,585.87	24,930.34
Borrowings Current maturities	13	2,941.70	1,908.00

Sensitivity analysis

(Rs. In lakhs)

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	FY 2022-23	FY 2021-22
Increase or decrease in Interest by 25bp	65.46	69.60

Note : In case of Increase in Interest rate, Profit will reduce and vice versa

27 C. Service concession arrangement

- i) The Company has entered into a service concession arrangement with National Highways authority of India (NHAI) for design, construction, development, finance, operation and maintenance of NH-28 from Km 519.600 to Km 627.000 in the State of Bihar for a period of twenty one (21) years from commencement date i.e. 08 July 2012 including construction period. The Company has achieved its 75% PCOD on 03 June 2016, and toll collection has been commenced from 09 June 2016 and achieved 100% PCOD on 24 August 2017 and 100% toll collection has been commenced from 01 October 2017. The SCA does not provide for any renewal of this arrangement.

The Company has right to charge the users of the Asset as toll. Accordingly, the Company has recognised an Intangible asset. At the end of the concession period the toll road will become the property of the Authority and the Company will have no further involvement in its operation or maintenance.

During the year, the Company has recorded Toll revenue of Rs. 4,212.29 Lakhs.

The revenue recognised in relation to construction represents the fair value of the construction services provided in constructing the toll road.

The Company has recognised an Intangible asset of Rs. 49,612.54 Lakhs

- ii) The company is required to make annual payments to the authority (NHAI) during the course of SCA which is called negative grant as per Ind-As 115, and the same was recognised as a liability with a present value of future annual payments payable during the period of SCA. And the same was capitalised to the intangible assets.

28 Contingent Liability and Commitments and Contingent Assets

Particulars	2022-23	2021-22
a) Contingent Liability		
Claims against the company	Nil	Nil
b) Capital Commitment		
Commitment to the extent not provided for	Nil	Nil
c) Contingent Assets		
Claims made by company- arbitration	Nil	Nil

29 Remuneration paid to the Statutory Auditors (excluding taxes)

(Rs. In Lakhs)

Audit and Other Fees	2022-23	2021-22
Statutory Audit Fees	3.70	3.69
Tax Audit fee	0.55	0.65
Other Services	0.56	0.38
Out of Pocket Expenses	-	-

30 Disclosure pursuant to Ind AS 33 "Earnings Per Share(EPS)"

(Rs. In Lakhs)

Particulars	2022-23	2021-22
i. Profit (loss) attributable to equity shareholders(basic)	(4,315.28)	(4,374.44)
ii. Weighted average number of equity shares (basic)	706.00	706.00
Basic EPS (in Rs.)	(6.11)	(6.20)
i. Profit (loss) attributable to equity shareholders(diluted)	(4,315.28)	(4,374.44)
ii. Weighted average number of equity shares (diluted)	706.00	706.00
Diluted EPS(in Rs.)	(6.11)	(6.20)

31 Employee Benefits

The disclosure is pursuant to the requirements of Ind AS - 19

Defined Benefit plans:

The Company operates gratuity plan through a trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

The amount to be recognized in the Balance Sheet:

(Rs. In Lakhs)

Particulars	2022-23	2021-22
Present value of the obligation at the end of the period	4.99	4.37
Fair value of plan assets at end of period	-	-
Net liability/(asset) recognized in Balance Sheet and related analysis	4.99	4.37
Funded Status	4.99	4.37

Expense to be recognized in the statement of Profit and Loss:

Particulars	(Rs. In Lakhs)	
	2022-23	2021-22
Interest cost	0.29	0.35
Current service cost	0.79	1.00
Expected return on plan asset	-	-
Premium Expenses	-	-
Expenses to be recognized in the statement of profit and loss accounts	1.08	1.35

Expense to be recognized in the statement of OCI:

Particulars	(Rs. In Lakhs)	
	2022-23	2021-22
Due to Change in financial assumptions	(0.19)	(0.18)
Due to demographic adjustments	-	-
Due to experience adjustments	(0.27)	(2.46)
Amounts to be recognized in the Other Comprehensive Income	(0.46)	(2.64)

Table Showing Changes in Present Value of Obligations:

Particulars	2022-23	2021-22
Present value of the obligation at the beginning of the period	4.37	5.66
Interest cost	0.29	0.35
Current service cost	0.79	1.00
Benefits paid (if any)	Nil	Nil
Actuarial (gain)/loss	(0.46)	(2.64)
Present value of the obligation at the end of the period	4.99	4.37

Actuarial (Gain)/Loss on Planned Assets:

Particulars	2022-23	2021-22
Actual return on plan assets	Nil	Nil
Expected return on plan assets	Nil	Nil
Actuarial gain/ (Loss)	(0.46)	(2.64)

Actuarial (Gain)/Loss recognized:

Particulars	2022-23	2021-22
Actuarial (gain)/loss - obligation	(0.46)	(2.64)
Actuarial (gain)/loss - plan assets	Nil	Nil
Total Actuarial (gain)/loss	(0.46)	(2.64)
Actuarial (gain)/loss recognized	(0.46)	(2.64)
Outstanding actuarial (gain)/loss at the end of the period	(0.46)	(2.64)

Summary of membership data at the date of valuation and statistics based thereon:

Particulars	2022-23	2021-22
Number of employees	17	17
Total monthly Basic salary	Rs. 1,66,960	Rs. 1,66,960
Average Past Service(Years)	6.80 years	5.80 years
Average remaining working lives of employees(Years)	19.41 years	20.41 years
Average Age(Years)	9.23 years	9.47 years

The assumptions employed for the calculations are tabulated:

Discount rate	7.45% per annum
Salary Growth Rate	4%
Withdrawal rate (Per Annum)	20.00% p.a at younger ages reducing to 1.00% p.a at older ages

Sensitivity to key assumptions:

Particulars	March 31, 2023	March 31, 2022
Discount rate Sensitivity		
Increase by 1%	4,62,970	4,04,942
(% change)	-7.06%	-7.42%
Decrease by 1%	5,38,216	4,74,525
(% change)	8.04%	8.49%
Salary growth rate Sensitivity		
Increase by 1%	5,39,218	4,75,263
(% change)	8.24%	8.66%
Decrease by 1%	4,61,545	4,03,779
(% change)	-7.35%	-7.69%
Withdrawal rate (W.R.) Sensitivity		
W.R. x 110%	5,03,783	4,41,616
(% change)	1.13%	0.96%
W.R. x 90%	4,91,990	4,32,730
(% change)	-1.24%	-1.07%

32 Disclosure of Related Parties/ Related Party Transactions pursuant to Ind As 24: Related party Disclosure"

List of related parties and nature of relationship

S. No.	Name of the related party	Nature of relationship
1	KNR Constructions Limited	Ultimate Holding Company
2	KNR Muzaffarpur Holding Private Limited	Holding Company
3	JKM Infra Projects Limited	Associate company and EPC Contractor
Key Management persons		
4	Mr. K. Narasimha Reddy	Director
5	Mr. Jalandhar Reddy	Director
6	Mr Gaurav Jalan	Director
7	Mr. K. Venkata Ram Rao	CFO
8	Mr. T.L. Verma	CEO
9	Ms. R. Rama Laxmi	Company Secretary

KNR MUZAFFARPUR BARAUNI TOLLWAY PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2023

Transactions during the year			(Rs. In Lakhs)	
S. No.	Name of the related party	Nature of transactions	2022-23	2021-22
1	KNR Constructions Limited	Share capital	-	-
		Instruments entirely equity in nature	-	-
		Routine Maintenance Expenses	549.99	503.57
		Reimbursement of Expenses made on our behalf(O&M)(Net)	772.28	1,771.01
		Reimbursement of Expenses made on their behalf(KNRCL)	-	-
2	KNR Muzaffarpur Holding Private Limited	Share capital	-	-
		Instruments entirely equity in nature	-	-
3	JKM Infra Projects Limited	Share capital	-	-
		Instruments entirely equity in nature	-	-
		Defect Liability Bills	-	-
		EPC Bill – Payment	-	-
		Utility Expenses	-	-
		Receivable Written off	-	-
		Mobilisation Advance Recovered	-	-
4	R. Rama Laxmi	Remuneration	3.00	3.00

Outstanding Balances

			(Rs. In Lakhs)	
S. No.	Name of the related party	Nature of transactions	March 31, 2023	March 31, 2022
1	KNR Constructions Limited^	Share capital	45.90	45.90
		Instruments entirely equity in nature	5,276.50	5,276.50
		Routine Maintenance Bills Payable	1,014.42	824.00
		Other Expenses Payable	3,279.76	2,507.48
2	KNR Muzaffarpur Holding Private Limited	Share capital	3,554.70	3,554.70
		Instruments entirely equity in nature	3,683.50	3,683.50
3	JKM Infra Projects Limited*	Share capital	3,459.40	3,459.40
		Instruments entirely equity in nature	1,695.10	1,695.10
		Retention Money Payable	425.00	425.00
		Advance to EPC Contractor	3,246.34	3,246.34
		Bills Receivable – DLP	614.92	614.92
		Other Expenses Payable	21.50	21.50
4	R. Rama Laxmi	Remuneration Payable	0.50	0.50

*Balance confirmation not received.

33 Foreign Currency Transactions:

(Rs. In Lakhs)			
S. No.	Particulars	2022-23	2021-22
1	CIF Value of Imports	NII	NII
2	Expenditure In Foreign Currency	NII	NII
3	Earnings In Foreign Currency	NII	NII

34 There are no Title Deeds of Immovable Property not held In the name of the Company.

- 35 The Company operates in the Infrastructure business sector which involves huge capital investments. The high gestation period required for break even for such Infrastructure investments is sufficiently addressed due to the long concession life of this project. The balance concession period is 10 years. The company's net worth has eroded primarily due to high Amortisation and high premium and deferred premium liability. The Management expects that the Company's revenue for the subsequent financial years will be sufficient to meet the expenditure and recoup the losses incurred thereby strengthening the financial position of the Company. Accordingly, the financial statements have been prepared on going concern basis.

The toll collections for the project have also been increasing as witnessed in April 2023 with an average collection of Rs. 13 Lakhs per day. Hence the company is expected to be a going concern.

- 36 **Disclosure pursuant to Ind AS 31 " Impairment of Assets"**
Since the Company expects sufficient cash inflows from the toll collections in future, impairment in the value of the toll collections rights is not envisaged due to the below mentioned reasons:

Development in the adjoining stretches:

The New bridge is under Construction in adjacent to Rajendra Setu is under Construction, so the Heavy vehicles are routed from alternative route. We are expecting that the work will be completed by Dec 2023.

- 37 During the year, no revaluation of Property, Plant and Equipment and Right-of-Use Assets has been done by the Company.
- 38 During the year, no revaluation of Intangible Assets has been done by the Company.
- 39 The Company has no Loans or Advances in the nature of Loans to specified persons that are Repayable on Demand or without specifying any terms or period of repayment.
- 40 No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.
- 41 The Company has not been declared as willful defaulter by any bank or financial institution or other lender during the year.
- 42 The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.
- 43 The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period during the year.
- 44 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.
- 45 During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.

KNR MUZAFFARPUR BARAUNI TOLLWAY PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2023

- 46 During the year, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 47 During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 48 The Company does not have any transaction 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.
- 49 The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- 50 The Company is not falling under the category mentioned in subsection 1 of "Section 135 – Corporate Social Responsibility" of the Companies Act, 2013, Accordingly, compliances under this section are not applicable for the Company.
- 51 **Due to Micro, Small and Medium Enterprises**
There has been no claimed transaction during the period with MICRO, Small and Medium Enterprises covered under the MICRO, Small and Medium Enterprises Development Act. (MSMED Act, 2006) Hence, reporting details of principal and interest does not arise

52 **Reconciliation between the Opening and Closing balances in the financial statement for Liabilities and Financial Assets arising from Financial Activities (Ind AS – 7)**
For FY 2022-23 (Rs in Lakhs)

Particulars	Long Term Borrowings	Instrument entirely equity in Nature	Deferred Payment Liability	Interest on Term Loan
Opening Balance	26,838.34	10,655.10	4,702.22	0.00
Interest Accrued during the year				2,563.05
Cash flows				
Received	-	-	-	
Repayment	(1,323.02)	-	-	
Interest paid				(2,563.05)
Non-Cash items				
Unwinding Interest			529.20	
Modification Gain/Loss			-	
Impact of EIR	12.26			
Closing Balance	25,527.57	10,655.10	5,296.42	0.00

For FY 2021-22		(Rs in Lakhs)		
Particulars	Long Term Borrowings	Instrument entirely equity In Nature	Deferred Payment Liability	Interest on Term Loan
Opening Balance	28,838.05	10,655.10	4,172.98	0.00
Interest Accrued during the year				2,732.13
Cash flows				
Received	-	-		
Repayment	(2,011.97)	-	-	
Interest paid				(2,732.13)
Non-Cash items				
Unwinding Interest			529.24	
Modification Gain/Loss			-	
Impact of EIR	12.26			
Closing Balance	26,838.34	10,655.10	4,702.22	0.00

53 Segment Information

The Company is into the business of developing the Infrastructure facility on BOT basis, and there are no separate reportable operating segments as per Ind AS 108.

55 Taxes on Income

The Company doesn't have any taxable income and book profit under Minimum Alternative Tax (MAT) 115JB. The Company is eligible for deduction under section 80IA of Income Tax Act and the tax holiday period of the company's project falls within the concession period of the company as defined in Section 80IA. Since deferred tax on Timing differences between Accounting Income and Taxable Income that arise during the year is reversing during such tax holiday period, no deferred tax asset/liability arises and accordingly no provision is made in the accounts.

KNR MUZAFFARPUR BARAUNI TOLLWAY PRIVATE LIMITED
Notes to the financial statements for the year ended March 31, 2023

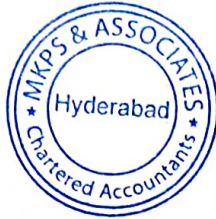
56 Previous year's figures have been regrouped/reclassified/rearranged wherever considered necessary.

For MKPS & Associates,

Chartered Accountants
FRN: 302014E

Vikash Modi

Vikash Modi
Partner
Membership No: 216468
UDIN: 23216468B6WHML8335



For and on behalf of the Board of Directors

K. Narsimha Reddy
K. Narsimha Reddy
Director
DIN: 00382412

Gaurav Jalan
Gaurav Jalan
Director
DIN: 01230012

K. Venkata Ram Rao
K. Venkata Ram Rao
Chief Financial Officer

R. Rama Laxmi
R. Rama Laxmi
Company Secretary

Place : Hyderabad
Date : 16-05-2023