

Independent Auditor's Report

To
The Members of
M/s. RANCHI EXPRESSWAYS LIMITED

Report on Audit of the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Standalone financial statements of M/s **RANCHI EXPRESSWAYS LIMITED ("REL")** which comprises the Balance Sheet as at 31st March, 2023, and the Statement of Profit and Loss, the Statement of Cash flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements and 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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Standalone financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, on the state of affairs of the Company as at 31st March 2023, and its Cash flows for the year ended on that date.

Basis for Qualified Opinion

- i. No Internal audit was conducted for the financial year as applicable under section 138 of the Companies Act, 2013 and relevant rules made thereunder.
- ii. The Company has not complied with the provisions of Indian Accounting Standard Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) Claims being Contingent asset in nature. This has resulted in over-statement of Current Assets by Rs. 1,34,175.20 Lakhs and understatement of Cumulative loss by the same amount.
- iii. Note 14 to the Financial Statements which describes the Outstanding balances of loans and interests thereon from Banks or financial institutions for which no Confirmations were received from banks.
- iv. The Company has defaulted on payment of Statutory Dues, which was due and pending for more than 5 Years.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our

audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

However, because of the matters described in the above paragraphs, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Emphasis of matters:

We draw your attention to the following matters in the Notes to the financial statements:

- i) Ranchi Expressways Limited was incorporated under the Companies Act, 1956, on 29th Day of March 2011 as a Special Purpose Vehicle for Design, Build, Finance, Operate and Transfer (DBFOT) of Four Laning of Ranchi-Rargaon-Jamshedpur Section of NH-33 from Km. 114.000 to Km. 277.500 in the state of Jharkhand on DBFOT (Annuity) basis for a concession period of 15 years. This contract was awarded by National Highway Authority of India. The Company shall hand over the Project Highway to NHAI on expiry of the Concession Period. Note- 1(b) to the financial statements which describe the suspension of rights of concessionaire pursuant to Article 36 of the Concessionaire Agreement with NHAI.
- ii) The company has achieved physical progress of 50.24% and about 10% is in WIP and approached NHAI for One Time Fund Infusion (OTFI) for completion of the remaining stretch. NHAI initially sanctioned an amount of Rs.223 Crs as One Time Fund Infusion and subsequently NHAI has gone back by cancelling the already sanction OTFI amount of Rs.223 Crs. Lenders and the company have preferred One Time Settlement (OTS) with NHAI for the works already completed.
- iii) While negotiations are going on for OTS proposal, NHAI has terminated the Concession Agreement on 30/01/2019 without following the termination procedure laid down in the Concession Agreement and called for tenders from public to complete the balance work on EPC basis. Since the project got terminated, Lenders are seeking for One Time Settlement. Company and Lenders agreed and requested the NHAI to refer the matter to Conciliation Committee of Independent Engineers.
- iv) The NHAI had given its consent for referring the matter to CCIE vide its letter dated 18-04-2019. The company has submitted the claim to NHAI. The proceedings of CCIE commenced on 25-09-2019. CCIE vide their order dated 10-08-2020 informed that Both parties, despite their attempts at reaching an amicable settlement of their disputes through conciliation before this committee, have not been successful. The committee hereby records the failure and closure of the conciliation proceedings on this matter. The company has initiated arbitration clause the arbitration committee formed, and arbitration proceedings commenced. EPC contractor has made claims against the company. On receipt of arbitration award the company will negotiate with the EPC Contractor to settle the claims. Note - 5.2 to the financial statements which describe the reconciliation of outstanding balances of loans including interest thereon between books and confirmations from banks or financial institutions.
- v) CBI has filed FIR against the Company, Promoters, Directors and Holding Companies on 12/03/2019 under Prevention of Corruption Act and Indian Penal Code. Subsequently, the Enforcement Directorate has raided the premises of the Company on 11-06-2021 and the ED is collecting information and investigation is under progress.

- vi) Cost incurred on the project up to 31st March 2023 Rs.1,34,175.20 Lakhs instead of writing-off, has been accounted as Claims receivable under the head "Other Financial Assets" which is in contravention of the provisions of Indian Accounting Standards Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) Claims being Contingent asset in nature. This has resulted in over-statement of Current Assets by Rs. 1,34,175.20 Lakhs and understatement of Cumulative loss by the same amount.

In view of the above, the termination of the Concession Agreement indicates that existence of material uncertainty that casts significant doubt about the Company's ability to continue as a Going Concern.

- vii) Interest on Loans is not provided for during the year under Audit.
- viii) We draw attention to Note 13 to the Financial Statements which indicated that the Company has accumulated losses of Rs.20,946 Lakhs and its Net worth has been substantially eroded.

Our Opinion is not modified in respect of these matters.

Other Matters

The standalone financial statements for the year ended 31st March 2023 includes comparative financial information for the year ended 31st March 2022. The Standalone financial statements for the year ended 31st March 2022 have been audited by the predecessor Auditor, who expressed an Unqualified opinion on those statements on 26/05/2022.

Responsibility of management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Director is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, Cash flows and Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rules thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibility for the Audit of Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Information other than the financial statements and auditors' report thereon.

The Company's Management is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 & 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, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Company does not have any pending litigations other than the Claims with NHAI which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
- iv. (a) The Management has represented that no funds have been advanced or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities (intermediaries), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
(b) The Management has represented that, no funds have been received by the Company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such 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;
- v. the Company has not declared or paid any dividend during the year ended 31st March 2023.
- vi. Proviso to Rule 3(1) of Companies (Accounts) Rules, 2014 for maintaining books of Accounts using accounting software which has a feature of recording Audit trail (edit log) facility is applicable with effect from April 1, 2023, and accordingly, report under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, is not applicable for the Financial Year ended March 31, 2023.

For Komandoor & Co LLP.
Chartered Accountants
Firm Regn. No 001420S/S200034



Nagendranadh Tadikonda

Partner

Membership No. 226246

UDIN: 23226246 BGXCIV 6217.

Place: Hyderabad

Date: 10/05/2023

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of RANCHI EXPRESSWAYS LIMITED on the Financial Statements for the year ended 31st March,2023)

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property.
 - (b) The Company did not have any intangible assets.
 - (c) As explained to us, Property (Land) has been physically verified by the Management at regular intervals, as informed to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
 - (d) The Company has produced Title Deeds in respect of Land disclosed in the financial statements are held in the name of the Company.
 - (e) According to the Information and explanations given to us by the management the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
 - (f) There are no proceedings initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. The Company is engaged in the business of infrastructure development and maintenance and hence, reporting under Clause 2(ii) (a), (b), (c) of the Companies (Auditor's Report) Order 2020 relating to Inventory are not applicable.
- iii. During the year the Company has not made any investments in, not provided any guarantee or security or granted any Loans or advances in the nature of Loans, Secured or Unsecured, to Companies, firms, LLPs or any other Parties.
- iv. According to the information and explanations given to us, the Company has complied with the provisions Sec 185 and 186 of the Act to the extent applicable, in respect of Loans, investments guarantees and security.
- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at 31st March, 2023 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. Maintenance of Cost records as prescribed by the Central Government under section 148(1) of the Companies Act, 2013 is not applicable to the company and accordingly clause (vi) of paragraph 3 of the order is not applicable to the company.
- vii. According to the information and explanations given to us and on the basis of our examination of books of accounts, the company is regular in depositing undisputed statutory dues.
 - a) As at 31st March 2023, following are the undisputed statutory dues payable for a period of more than 5 years from the date they become payable:

Name of the Statue	Nature of Dues	Amount (Rs.)
Employees Provident Fund and Miscellaneous Act, 1952	Provident	44,101
Professional Tax	Professional Tax	6,172

- b) According to the information and explanation given to us, the company has no statutory dues which have not been deposited on account of disputes.
- viii. According to the information and explanations provided to us, the Company has recorded all the transactions and no previously unrecorded income has been properly recorded in the books of accounts during the year.
- ix. a) Based on the examination of book of accounts and related records and according to the information and explanations given by the management, the Company has defaulted in repayment of dues to financial institutions and banks, and which are due for more than 5 years, as follows:

Nature of Borrowing including Debt Securities	Name of Lender	Outstanding balance as on 31.03.2023 (Rs in Lakhs)*	Whether Principal or interest	Remarks if any:
Term Loan	Canara Bank	17,773.33	Principal and interest	The Loan has become NPA
Term Loan	Indian Bank (Ex. Allahabad Bank)	6502.70	Principal and interest	The Loan has become NPA
Term Loan	UBI (Ex. Corporation Bank)	6121.53	Principal and interest	The Loan has become NPA
Term Loan	Bank of Baroda (Ex. Dena bank & Vijaya Bank)	11,015.46	Principal and interest	The Loan has become NPA
Term Loan	Federal Bank	5452.44	Principal and interest	The Loan has become NPA
Term Loan	ICICI Bank	8196.00	Principal and interest	The Loan has become NPA
Term Loan	IDBI Bank	10,319.00	Principal and interest	The Loan has become NPA
Term Loan	IIFCL	12,604.60	Principal and interest	The Loan has become NPA
Term Loan	Punjab National Bank (Ex.OBC)	9608.52	Principal and interest	The Loan has become NPA
Term Loan	Punjab & Sind Bank	3759.00	Principal and interest	The Loan has become NPA
Term Loan	South Indian Bank	4624.48	Principal and interest	The Loan has become NPA
Term Loan	SBI (Ex. SBBJ & SBOP)	5606.27	Principal and interest	The Loan has become NPA

*We have not received any confirmation from the Banks or Financial institutions for the Outstanding balances mentioned in above table.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or other lenders.
 - c) No Long Term or Short Term Loans has been raised and utilized by the Company during the year.
 - d) According to the information and explanations given to us the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - e) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies.
- x. a) The Company has not raised money's either by way of initial public offers or further public offer (including debt instruments) during the year.
- 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 or partly paid convertible debentures during the year.
- xi. a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- b) No report under sub-sec (12) of sec.143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with Central Government.
- c) No whistle-blower complaints, received during the year by the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xi) of the Order is 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 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 Ind AS Financial statements as required by the Applicable accounting Standards.
- xiv. The Company has no internal audit system commensurate with its size and nature of its business
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of

India Act, 1934.

- xvii. The Company did not incur any Cash losses in the financial year and in the immediately preceding the financial year.
- xviii. There has been resignation of the Statutory Auditors during the year and we have taken into consideration the issues, objections or concerns raised by the Outgoing Auditors. The auditors resigned on 16/02/2023.
- xix. Since the Net worth of the Company is eroded and the Liabilities are more than the Assets , we as Statutory Auditors of the Company is of the Opinion that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as they fall due for more than 5 years.
- xx. Sec.135 of the Companies Act, 2013 is not applicable to the Company and no projects are undertaken by the Company.
- xxi. The Company has no subsidiary or Joint Venture or Associate; preparation of Consolidated Financial Statement is not applicable.

For Komandoor & Co LLP.
Chartered Accountants
Firm Regn.No 001420S/S200034

Nagendranadh Tadikonda
Partner
Membership No. 226246
Place: Hyderabad
Date:



ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

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 audited the internal financial controls over financial reporting of Ranchi Expressways Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls,

both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

For Komandoor & Co LLP
Chartered Accountants
Firm Reg No: 001420S/S200034



Tadikonda Nagendranadh
Partner
Membership No. 226246
Place: Hyderabad
Date:

Ranchi Expressways Limited
Balance Sheet as at 31st March 2023

(Amount Rs. In Lakhs)

PARTICULARS	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current Assets			
Property, plant and equipment	3	20.10	20.10
Investment Property	4		
Intangible assets			
(i) under SCA			
(ii) others	3		
Intangible assets under development			
Financial assets			
(i) Investments			
(ii) Other financial assets	5	-	-
Tax assets			
(i) Deferred Tax Asset (net)			
Other non-current assets	6	-	-
Total Non-current Assets		20.10	20.10
Current Assets			
Financial assets			
(i) Current Investment	7		
(ii) Cash and cash equivalents	8	39.06	39.07
(iii) Other bank balance			
(iv) Other financial assets	9	134,175.20	134,092.94
(c) Current tax assets (Net)	10	282.25	282.25
Other current assets	11	2,906.53	4,304.03
Assets classified as held for sale			
Total Current Assets		137,403.06	138,718.29
Total Assets		137,423.15	138,738.39
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	8,080.00	8,080.00
Other Equity	13	-20,946.12	-20,946.12
Total Equity		-12,866.12	-12,866.12
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
(i) Long-term borrowings			
Unsecured Loans	15	40,422.58	40,422.58
(ii) Trade payables			
(iii) Other financial liabilities	16	-	-
Provisions	17	-	-
Deferred tax liabilities (Net)			
Total Non-current Liabilities		40,422.58	40,422.58
Current liabilities			
Financial liabilities			
(i) Borrowings			
a) Terms Loans Disbursed to the project by the Lenders	14	63,730.83	65,212.83
b) Interest on Terms Loans adjusted by the Lenders from the Escrow A/c	14	37,852.51	37,852.51
c) Other Liabilities			
(ii) Trade payables	18	-	481.50
(iii) Other financial liabilities	19	5,830.24	5,283.49
Provisions	20	0.56	0.56
(c) Current tax liabilities (Net)			
Other current liabilities	21	2,352.55	2,351.05
Liabilities directly associated with assets classified as held for sale			
Total Current Liabilities		109,866.69	111,181.93
Total Liabilities		150,289.27	151,604.51
Total Equity and Liabilities		137,423.15	138,738.39

Notes 1 to 48 forms part of the Financial Statements

For Komandoor & Co. LLP

Chartered Accountants

Firm's Registration No. 001420/S/200034

For and on behalf of Board
of Ranchi Expressways Limited

CA. Tadikonda Nagendranath

Partner

Membership No. 226246



K SRINIVASA RAO

Director

Din - 00022855

SRIRAM. G.

Director

Din - 9806177

Place: Hyderabad

Date: -05-2023

A. DANUMJAYA
DGM (P&A)

Ranchi Expressways Limited

Statement of profit and loss for the year ended 31st March 2023

(Amount Rs. In Lakhs)

PARTICULARS	Notes	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Revenue from operations	22	-	-
Other income	23	-	-
Total Income		-	-
Expenses			
Construction Cost	24	-	-
Operation & Maintenance Expenses			
Employee benefits expenses			
Finance Costs	25	-	-
Depreciation and Amortisation Expenses	26	-	-
Other Expenses	27	-	-
Total expenses		-	-
Profit before exceptional items and tax		-	-
Add: Exceptional items		-	-
Profit before tax		-	-
Less: Tax expense			
(1) Current tax			
(2) MAT credit entitlement			
Profit for the period from continuing operations (I)		-	-
Other Comprehensive Income			
Remeasurements of the defined benefit plans			
Total other comprehensive income			
Total comprehensive income for the period		-	-
Earnings per share (Face Value ₹ 10/- per share) Not annualised :			
(1) Basic (in Rs.)			
(2) Diluted (in Rs.)			

For Komandoor & Co, LLP
Chartered Accountants
Firm's Registration No. 001420S/S200034

CA. Tadikonda Nagendranath
Partner
Membership No. 226246

Place: Hyderabad
Date: -05-2023



**For and on behalf of Board
of Ranchi Expressways Limited**


K SRINIVASA RAO
Director
Din - 00022855

SRIRAM. G.
Director
Din - 9806177

A. DANUMJAYA
DGM (F&A)

Ranchi Expressways Limited
Cash Flow Statement as on 31st March 2023

(Amount Rs. in Lakhs)

S. No.	Particulars	2022-23	2021-22
A	Net profit / (loss) before tax and extraordinary items	-	-
	Adjustment for		
	Depreciation and amortisation expense	-	-
	Interest expense	-	-
	Interest income	-	-
	Operating profit before working capital changes	-	-
	Adjustments for:		
	Increase / (Decrease) in long term provisions	-	-
	Increase / (Decrease) Terms Loans Disbursed to the project by the	-1,482.00	-
	Increase / (Decrease) in trade payable	-481.50	-
	Increase / (Decrease) in other current liabilities	1.50	-53.35
	Increase / (Decrease) in other current financial liabilities	646.75	-77.19
	Increase / (Decrease) in other non current financial liabilities	-	-
	Increase / (Decrease) in short term provisions	-	-
	(Increase) / Decrease in other non-current assets	-	-
	(Increase) / Decrease in current tax	-	0.27
	(Increase) / Decrease in other non current financial asset	-	-
	(Increase) / Decrease in other financial asset	-82.26	-46.47
	(Increase) / Decrease in other current assets	1,397.50	176.73
	Net cash generated from/(used in) operating activities	-0.01	0.00
	Direct taxes paid (net of refunds)	-	-
	Net Cash(used in)/generated from Operating Activities	-0.01	0.00
B	Cash flow from investing activities		
	Purchase of fixed assets	-	-
	Sale/dispose off of fixed assets	-	-
	Purchase of current investments	-	-
	Interest received	-	-
	Net cash (used in)/generated from investing activities	-	-
C	Cash flow from financing activities		
	Proceeds from issue of capital	-	-
	Proceeds from unsecured loan- deemed equity	-	-
	Proceeds from long term borrowings-bank	-	-
	Interest paid	-	-
	Net cash (used in)/generated from financing activities	-	-
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	-	-
	Cash and cash equivalents as at the beginning of the year	39.07	39.07
	Cash and cash equivalents as at the end of the year	39.07	39.07

Notes:

1. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements
2. Cash and cash equivalents represent cash and bank balances and are not available due to freezing by banks on the behalf Govt. authorities
3. Previous year's figures have been regrouped/reclassified wherever applicable.

For Komandoor & Co. LLP
Chartered Accountants
Firm's Registration No. 001420S/S200034

CA. Tadikonda Nagendranath
Partner
Membership No. 226246

Place: Hyderabad
Date: -05-2023

**For and on behalf of Board
of Ranchi Expressways Limited**

K SRINIVASA RAO
Director
Din - 00022855

SRIRAM. G.
Director
Din - 9806177

A. DANUMJAYA
DGM (F&A)

Ranchi Expressway Limited

Notes to financial statements for the Year ended March 2023

1 Corporate Information

Ranchi Expressways Limited was incorporated under the Companies Act, 1956, on 29th Day of March, 2011 as a Special Purpose Vehicle for Design, Build, Finance, Operate and Transfer (DBFOT) of Four Laning of Ranchi-Rargaon-Jamshedpur Section of NH-33 from Km. 114.000 to Km. 277.500 in the state of Jharkhand on DBFOT (Annuity) basis for a concession period of 15 years. This contract was awarded by National Highway Authority of India. The Company shall hand over the Project Highway to NHAI on expiry of the Concession Period.

The company has achieved physical progress of 50.24% and about 10% is in WIP and approached NHAI for One Time Fund Infusion (OTFI) for completion of the remaining stretch. NHAI has initially sanctioned an amount of Rs.223 Crs as One Time Fund Infusion and subsequently NHAI has gone back by cancelling the already sanction OTFI amount of Rs.223 Crs. Lenders and the company have preferred One Time Settlement (OTS) with NHAI for the works already completed.

While negotiations are going on for OTS proposal, NHAI has terminated the Concession Agreement on 30/01/2019 without following the termination procedure laid down in the Concession Agreement and called for tenders from public to complete the balance work on EPC basis. Since project got terminated, Lenders are seeking for One Time Settlement. Company and Lenders agreed and requested the NHAI to refer the matter to Conciliation Committee of Independent Engineers.

The NHAI had given the consent for referring the matter to CCIE vide its letter dated 18-04-2019. The company has submitted the claim with NHAI. The proceedings of CCIE were commenced on 25-09-2019. CCIE vide their order dated 10-08-2020 informed that Both parties, despite their attempts at reaching an amicable settlement of their disputes through conciliation before this committee, have not been successful. The committee hereby records the failure and closure of the conciliation proceedings on this matter. The company has initiated arbitration clause the arbitration committee formed and arbitration proceedings commenced. EPC contractor has made claims on the company. On receipt of arbitration award the company will negotiate with the EPC Contractor to settle the claims.

CBI has filed FIR against the Company, Promoters and Directors on 12/03/2019. ED also raided on 11-06-2021 and the ED is collecting information and investigation is going on.

In view of the above going concern assumption is not appropriate and therefore financial statements have been drawn accordingly.

2 Significant Accounting Policies

2.01 Basis of preparation

(a) Compliance with IndAS

The Company's financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(b) Basis of measurement

The financial statements have been prepared on a 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

(c) Use of estimates and judgements

The preparation of these financial statements in conformity with IndAS 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 recognised 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.

(d) Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date
- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.02 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees rounded off to two decimal places in line with the requirements of Schedule III.

2.03 Revenue recognition

The company has no revenue during the financial year.

2.04 Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term highly liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents. Bank overdrafts which are part of the cash management process is included as part of cash and cash equivalents.

2.05 Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

- (a) transactions of a non-cash nature;
- (b) any deferrals or accruals of past or future operating cash receipts or payments and,
- (c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

2.06 Current & Non Current classification :

Current Asset :

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.

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 effect its classification. All other liabilities shall be classified as non-current.

2.07 Property, plant and equipment (PPE)

The company do not own any itmes falling under the property, plant and quipment

2.08 Rights under Service Concession Arrangements

Annuity Projects (Unconditional right to receive cash from Authority)

Where Company has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as "Financial Assets", even though payments are contingent on Company ensuring that the infrastructure meets the specified quality or efficiency requirements. Such financial assets are classified as "Receivables against Service Concession Arrangements".

The cost incurred for work beyond the original scope per Concession agreement (normally referred as "Change of Scope") is recognised and classified as "Financial Assets as and when incurred.

Any Viability Gap Funding (VGF) in the form of equity support in connection with project construction is accounted as a receivable and is adjusted to the extent of actual receipts.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of right under service Concession Arrangements are allocated and recognised and classified as "Financial Assets". However, the service concession agreement has been terminated.

2.09 Investments

The company does not hold any trade investments either of long term or short term.

2.10 Borrowing costs

Interest is not provided during the financial year due to term loans became NPA

2.11 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.12 Income taxes

During the Financial Year the company does not have any revenue hence MAT and deferred taxes will not be applicable and provisions have not been made.

No Deferred tax Provisions are made for the year.

2.13 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible. Contingent assets are disclosed in the financial statements where an inflow of economic benefits are probable.

2.14 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

a) Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The company does not carry any debt instruments and equity instruments.

b) Financial Liabilities

Financial liabilities are classified at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, 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.

Loans and borrowings are subsequently measured at amortised costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

c) Impairment of financial assets (Expected Credit Loss Model)

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract/agreement and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

2.15 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.16 Claims

Claims against the Company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

2.17 Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for
- (ii) Uncalled liability on shares and other investments partly paid
- (iii) Funding related commitment to subsidiary, associate and joint venture companies and
- (iv) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.18 Employee Benefit

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

i. Short term Employee Benefit

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) In case of non-accumulating compensated absences, when the absences occur.

ii. Post employment benefits

(a) Defined contribution plans:

The Company's superannuation scheme and State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

(b) 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, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. 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.

(c) Other long term Employee Benefit

The obligation for other long term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned in (ii)(b) above.

Ranchi Expressway Limited
Notes to financial statements for the Year ended 31st March 2023

8 Cash and Cash Equivalents

(Amount Rs. in Lakhs)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Balances with Banks		
-In Current Accounts	39.06	39.06
Cash on hand :-		
Cash on hand	-	0.0014
Mutual Funds		
Total	39.06	39.07

9 Other Financial Asset

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Retention money receivable -NHAI	151.13	151.13
Receivable from NHAI	4,268.19	4,268.19
Claims Recivable From NHAI	129,755.88	129,673.61
Total	134,175.20	134,092.94

10 Current Tax Asset (Net)

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Current tax Asset		
Statutory dues receivables	282.25	282.25
Total	282.25	282.25

11 Other Current Assets

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Advances to Related Parties		
Madhucon Projects Limited- Ultimate Holding company	887.23	2,284.73
Advances to Others	0.09	0.09
Unsecured, considered good		
Mobilization and Material Advance-Ultimate holding company	2,019.19	2,019.19
Security Deposits	0.02	0.02
Total	2,906.53	4,304.03

Movement in other equity:				
	Equity Component of Unsecured Loan	Reserves and Surplus	Other items of Other Comprehensive Income (specify)	Total
		Retained Earnings		
Balance at the beginning of the reporting period i.e. 01.04.2021	-	(20,946.12)		(20,946.12)
Changes in accounting policy or prior period errors		-		-
Restated balance at the beginning of the reporting period	-	(20,946.12)		(20,946.12)
Total Comprehensive Income for the year		-		-
Transfer to retained earnings				-
Addition/Deletion in Equity Component	-			-
Balance at the end of the reporting period i.e. 31.03.2022	-	(20,946.12)	-	(20,946.12)

14 Long term Borrowings

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Term Loans		
Secured		
- Term Loan disbursed to the project by the Lenders	63,730.83	65,212.83
Interest on Term Loan adjusted by the Lenders from	37,852.51	37,852.51
Total of Secured Term Loans	101,583.34	103,065.34
Total of short term borrowings	101,583.34	103,065.34

15 Long-term borrowings

Particulars	As at Mar 31, 2022	As at Mar 31, 2022
Term Loans		
Un Secured		
- from Banks	-	-
- from Financial Institution	-	-
- from Related Parties	40,422.58	40,422.58
Total of Un Secured Term Loans	40,422.58	40,422.58
Total of Long term borrowings	40,422.58	40,422.58

Terms of Repayment - Secured Loan

Indian Rupee Term Loans Consists of Loans borrowed from a consortium of 13 bankers & one financial institution as per common loan agreement dated 31-10-2011. The entire outstanding debt as per common loan agreement was re-structured and the loan amount was payable as per master amendment to common loan agreement dated 28-03-2017. The company has entered in OTS with one of the consortium bank and payments are being made as per repayment schedule.

Interest is not provided during the financial year due to the Term Loans became NPA

Terms of Security

The Company has executed loan documents and created security as per common loan agreement dated 31-10-2011 and amendment to common loan agreement dated 28-03-2017

Terms of Repayment - Un Secured Loan from Related Parties

The unsecured loans are provided by the promoters of the company as per common loan agreement with Senior Lenders by way of Sub-ordinate loan such sub-Ordinate loans interest and principle repayment shall be made after final settlement date. The date on which all the secured obligations have been discharged in full to the satisfaction of the lenders.

16 Other Financial Liabilities - Non Current

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Retention money- Madhucon Projects Limited- Ultimate Holding Company		
Total	-	-

17 Long Term Provisions

Particulars	As at Mar 31, 2023	As at Mar 31, 2022
Gratuity		
Leave Encashment		
Total	-	-

18	Trade Payable		
	Particulars	As at Mar 31, 2023	As at Mar 31, 2022
	Due to related parties		
	Utility Shifting Payable - Madhucon Projects Limited	-	481.50
	Total		481.50
19	Other Financial liabilities - Current		
	Particulars	As at Mar 31, 2023	As at Mar 31, 2022
	Interest accrued and due on borrowings	3,574.87	3,574.87
	Audit Fee payable	0.60	0.01
	Retention money Payable	0.13	0.13
	Payables to related party		
	Madhucon Infra Limited- Holding company of holding	832.60	193.19
	Other payables	1,518.56	1,511.81
	Salary payable	3.48	3.48
	Total	5,930.24	5,283.49
20	Short Term Provisions		
	Particulars	As at Mar 31, 2023	As at Mar 31, 2022
	Provision for Gratuity	0.49	0.49
	Provision for Leave encashment	0.07	0.07
	Total	0.56	0.56
21	Other Current liabilities		
	Particulars	As at Mar 31, 2023	As at Mar 31, 2022
	Statutory liabilities	2,352.56	2,351.05
	Total	2,352.56	2,351.05

Ranchi Expressway Limited
Notes to financial statements for the Year ended 31st March 2023

22 Revenue From Operations

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Revenue from Operations		
Construction revenue		
Finance income		
Total	-	-

* Service tax not applicable on toll Services.

23 Other Income

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Interest Income :-		
Interest on Income Tax Refund		
Expenditure Written Back		
Interest Income On Mutual Fund		
Total		

24 Construction cost

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Construction cost	-	-
Total	-	-

25 Finance Cost

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
- Interest on term loan from banks		
- Other Borrowing cost		
- Finance income written off		
Total	-	-

26 Depreciation and Amortisation Expenses

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Depreciation		
Total		

27 Other Expenses

Particulars	For the year ended Mar 31, 2023	For the year ended Mar 31, 2022
Rent		
Rates & Taxes		
Tax Audit Fees		
Transfer Pricing Audit Fees		
Professional Fees		
Office Maintenance		
Payments to Auditor		
- As Statutory Auditor (including Service Tax)		
Miscellaneous expenses		
Total	-	-

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

28 Financial Instruments

Disclosure of Financial Instruments by Category

Financial instruments by categories	Note no.	As at March 31, 2023			As at March 31, 2022		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset							
Trade receivables							
Cash and cash equivalents	8			39.06			39.07
Other financial assets	9			134,175.20			134,092.94
Total Financial Asset				134,214.27			134,132.01
Financial liability							
Term Loan from Banks	0			-			-
Other financial Liabilities - Non Current	16						-
Trade Payables	18			-			481.50
Other financial Liabilities - Current	19			5,930.24			5,283.49
Total Financial Liabilities				5,930.24			5,764.99

Default and breaches

The company has not provided Interest on term loan during this F.Y 2022-23

The company has defaulted in repayment of interest and instalments.

29 Fair value of Financial asset and liabilities at amortized cost

Particular	Note no.	As at March 31, 2023		As at March 31, 2022	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Trade receivables		-	-	-	-
Cash and cash equivalents	8	39.06	39.06	39.07	39.07
Other bank balance		-	-	-	-
Other financial assets	9	134,175.20	134,175.20	134,092.94	134,092.94
Total Financial Assets		134,214.27	134,214.27	134,132.01	134,132.01
Financial liability					
Term Loan from Banks	0	-	-	-	-
Other financial Liabilities - Non Current	16	-	-	-	-
Trade Payables	18	-	-	481.50	481.50
Other financial Liabilities	19	5,930.24	5,930.24	5,283.49	5,283.49
Total Financial Liabilities		5,930.24	5,930.24	5,764.99	5,764.99

The carrying amount of current financial assets and current trade and other payables measured at amortised cost are considered to be the same as their fair values, due to their short term nature. However the amount of Rs 1297,55,88,000/- receivable from NHAI is not yet settled and is subject to final ascertainment of the claimed amount due.

The carrying value of Rupee Term Loan approximate fair value as the instruments are at prevailing market rate.

Ranchi Expressway Limited
Notes to financial statements for the Year ended 31st March 2023

30 Fair Value Measurement

Fair Value Measurement of Financial asset and Financial liabilities
Fair value hierarchy

31 Fair Value Measurement

Valuation technique and inputs used to determine fair value

Financial assets and liabilities	Valuation method	Inputs
Financial liabilities		
Term Loan from Banks	Income	Effective rate of borrowing
Term Loan from related parties	Income	Effective rate of borrowing
Other Current Financial Liabilities	Income	Effective rate of borrowing

32 Asset pledged as security

Particulars	Note no	31.03.2023	31.03.2022
Non Financial Asset			
Property, Plant & Equipment	3	20.10	20.10
Investment Property	7		
Financial Asset			
Cash and Cash Equivalents	8	39.06	39.07
Other Bank Balances		-	-
Other Financial Assets	9	134,175.20	134,092.94
Other Current Assets	11	2,906.53	4,304.03
TOTAL		137,140.90	138,456.13

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

33 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy 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 systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

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

ii Interest rate risk

The company has not provided interest from the date of Term Loan accounts became NPA.

iii Price risk

The company is not exposed to price risk as it has no Investment.

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

As at March 31, 2023	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Term Loan from Banks	63,730.83	63,730.83			
Term Loan from Financial Institutions	37,852.51	37,852.51			
Term Loan from related parties					-
Trade Payables	-	-	-	-	-
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL
As at March 31, 2022	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Term Loan from Banks	63,730.83	63,730.83			
Term Loan from Financial Institutions	37,852.51	37,852.51			
Term Loan from related parties					-
Trade Payables	481.50	481.50	-	-	-
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL

C) Credit risk

The company generally does not have trade receivables as project is in construction phase. Hence, the management believes that the company is not exposed to any credit risk.

Ranchi Expressway Limited

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

34 Disclosures pursuant to Ind AS 1 - "Presentation of Financial Statements"

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

35 The Company does not have any transaction to which the provision of Ind AS-2 relating to Valuation of Inventories applies.

36 Disclosure pursuant to Ind AS 11 - "Construction Contracts"

Amount of contract revenue recognised in the year : Nil

Method used to recognise the constructions revenue - Work executed during the year and remaining to be executed.

37 Disclosure pursuant to Ind AS 12 - "Income taxes"

The Company does not have taxable income and hence provision for current tax has not been made. 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 tax on Timing difference 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.

38 Disclosure pursuant to Ind AS 19 - Employee Benefits

Employee Benefits

During the financial year there were no employees worked hence this clause is not applicable

39 Related Party Transactions

A. List of Related Parties

	Company Name	Relation
1	Madhucon projects Limited	Ultimate Holding Company
2	Madhucon Infra Limited	Holding Company of holding company
3	Madhucon Toll Highways Limited	Holding Company

B. Transactions with related parties:

	For the year ended 2022-23		For the year ended 2021-22	
	Transactions during the year	Amount receivable/ (payable)	Transactions during the year	Amount receivable/ (payable)
Madhucon Projects Limited – Ultimate Holding Company				
EPC Cost (Construction contract expenses)	1,397.50	887.23		2,284.73
Utility Shifting Expense		-	-	-481.50
Mobilization, Material Advance	-	2,019.19		2,019.19
Unsecured Loan	-	-10,859.19	-	-10,859.19
Retention money- EPC	-	-		-
Retention money- UT	-	-		-
Share Capital	-	-1.40	-	-1.40
Performance bank guarantee given to NHAI on behalf of the company	-	-	-	-
Expenses paid on our behalf	-	-	-	-
Expenses paid on their behalf	-	-	-	-
Amount paid				
Madhucon Infra limited – Holding Company of holding company				
Share Capital	-	-1.60	-	-1.60
Unsecured Loan	-	-26,668.16	-	-26,668.16
Expenses paid on our behalf	73.41		130.48	
Advance paid	566.00	-832.60		-193.19
Madhucon Toll Highways Limited - Holding Company				
Share Capital	-	-8,075.00	-	-8,075.00
Unsecured Loan	-	-2,895.23	-	-2,895.23

Madhucon Toll Highways Limited has pledged 3,61,08,000 number of equity shares held by them in the company to the lenders under common loan agreement.

Terms & Conditions

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement will not occur in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022 is INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

There is no provision for bad and doubtful debts to related parties with regard to outstanding expenses and there is no expense recognized in respect of bad and doubtful debts due from related parties.

40 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

Borrowing cost capitalised during the year ' Nil. (previous year : ' Nil).

41 Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

Particulars	Unit	As at March 31, 2023	As at March 31, 2022
Earnings Per Equity Share:			
Net Profit after tax	Rupees	-	-
Equity Shares outstanding	Numbers	80,800,000	80,800,000
Nominal Value of Equity Share	Rupees	10	10
Basic Earnings per Share	Rupees	-	-
Diluted Earnings per Share	Rupees	-	-

42 Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets "

(i) Contingent Liability: EPC Contractor has raised a claim on the company and the same will be settled after receiving claim amount from NHAI.

(ii) Commitments : Capital Commitment (Estimated amounts of contracts remaining to be executed -EPC) : Nil

43 Payments to Auditor (Including Service Tax)

Particulars	As at March 31, 2023	As at March 31, 2022
	Rupees	Rupees
(a) Statutory Audit Fee		0
(b) Other Services (Opinion / Certification Fees)		0
(c) Tax Audit Fee		-
(d) Income Tax Filings		-
Total	0	0

44 There have been no claimed transactions during the year with Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act 2006.

45 Disclosure pursuant to Ind AS 36 "Impairment of Assets"

Based on review of future discounted cash flows and other factors including termination of contract with NHAI, so claim from NHAI may be subject to impairment, the recoverable amount of the project facility is more than its carrying amount. Accordingly no provision for impairment of assets is provided.

46 Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"

The Company was engaged in the business of construction, operation and maintenance of Toll road projects on a Build Operate Transfer basis in a single business segment. Hence reporting of operating segments does not arise. The Company does not have operations outside India. Hence, disclosure of geographical segment information does not arise.

47 In the opinion of the Board, the current assets, loans & advances, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

48 There were no litigation pending against the company which could be materially impact its financial position as at the end of the year. ED proceedings are in progress.

49 Previous year figures have been re-grouped, re-worked and re-classified wherever necessary, to make them comparable with current year figures

50 Company has failed to adhere to the regulations stated in section 203 of Companies Act 2013 regarding the appointment of Key Management Personnel, as well as provisions of 177 concerning the audit committee and section 149 concerning to appointment of Independent Director.

For Komandoor & Co. LLP

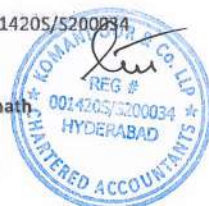
Chartered Accountants

Firm's Registration No. 0014205/5200034

CA. Tadikonda Nagendranath

Partner

Membership No. 226246



For and on behalf of Board
of Ranchi Expressways Limited

K SRINIVASA RAO

Director

Din - 00022855

SRIRAM. G.

Director

Din - 9806177

Place: Hyderabad

Date: -05-2023

A. DANUMIAYA

DGM (F&A)