



**MASTERING
EXPERTISE
EXPANDING
HORIZONS**



PNC INFRA TECH LIMITED

ANNUAL REPORT 2022-23

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Investor Information

Market Capitalization as of March 31, 2023	Over ₹ 7,400 Cr
CIN	L45201DL1999PLC195937
BSE Code	539150
NSE Symbol	PNCINFRA
Dividend Declared	25% of its face Value
AGM Date	September 29, 2023
AGM Venue	Registered Office
AGM Mode	Video Conferencing (VC)/Other Audio-Visual Means (OAVM)



Canal Upgradation Project in Andhra Pradesh



For more investor-related information, please visit: <https://www.pncinfratech.com/financials.html>

Scan this QR code to navigate investor-related information

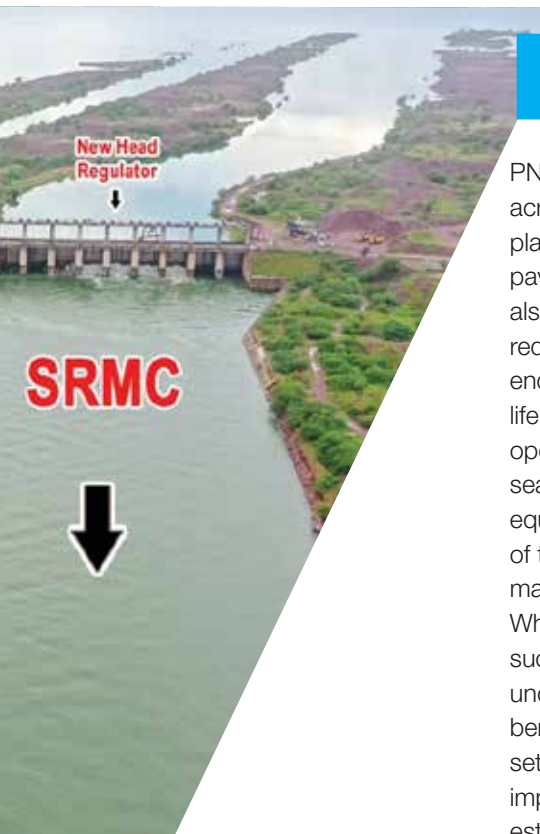
Disclaimer:

This document contains statements that are forward-looking about expected future events and the financials of PNC Infratech Limited. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the Management Discussion and Analysis section of this annual report.



Four Laning of Aligarh-Kanpur (Pkg.-V)
Section of NH-91

MASTERING EXPERTISE EXPANDING HORIZONS



PNC Infratech Limited, having successfully completed over 90 infrastructure projects across sectors, geographies, and cultures, has established itself as a holistic and niche player in the roads, highways, expressways, bridges, grade-separators, and airport pavements space with a proven track record over the past three decades. PNC has also marked its presence in the construction of power transmission lines, industrial area redevelopment, and dedicated rail freight corridor projects proficiently. The Company's end-to-end capabilities under one roof enable successful traversal through the entire life cycle, right from planning, design, engineering, construction, commissioning, operation, maintenance, and management of highway and expressway projects, in a seamless manner. PNC's state-of-the-art large fleet of construction machinery, plant and equipment, large numbers of mining & crushing facilities, unstrained liquidity with one of the industry's best credit ratings, and over 10,000 trained, skilled, and professional manpower with proven capabilities demonstrate its robust execution capabilities. While PNC's consistent performance is driven by the core strengths that enable successful delivery of mandates within the budgeted costs and demanding timelines under challenging conditions, PNC consistently endeavors to establish new industry benchmarks, completing many projects ahead of their scheduled completion dates and sets world records in construction through an unyielding commitment to continuous improvement of its core competencies and sectoral expertise. The Company's recently established two distinguished world records for laying the highest quantity, 42,666 MT of Dense Bitumen Macadam (DBM), continuously in 100 hours over a 50.0 km single-lane carriageway of the Package 29 of Delhi-Vadodara Expressway Project of NHA and the receiving National Highways Excellence Award from MORTH (Ministry of Road Transport and Highways of India), GOI, are testimonies to show how PNC is mastering its expertise.

Having established a formidable position with outstanding credentials in the core sectors of roads, highways, and airfield pavements, PNC has a strong belief in its operational efficiency, inherent adaptability, and resilience to navigate through new synergetic territories and has embarked on a journey to expand horizons. In this pursuit of broadening its sphere of operations, the Company has already secured three major projects under the Government's prestigious Jal Jeevan Mission comprising rural drinking water supply to over 5,000 villages across seven districts in the state of Uttar Pradesh. In its endeavors to explore new growth opportunities, in FY 2022-23, the Company also secured a work comprising construction of civil works for a 26.0 km long railway line as part of the Haryana Orbit Rail project. Apart from catalyzing growth, the process of expansion also aims at mitigating concentration risks in terms of sectoral and geographical. While harmonizing synergy between expertise, exploration capitalizing on new growth opportunities that would be supplementary to the Company's overall growth, and PNC will continue to focus on the core sector of roads, highways, expressway and bridges going forward.

FY 2022-23 HIGHLIGHTS

Incorporated in 1999, PNC has been among the leading infrastructure development, construction, operation & maintenance and management companies in India.

Financial Performance (Consolidated) - FY 2022-23

₹ 7,956.1 Cr 
Revenue

₹ 1,600.0 Cr 
EBITDA

₹ 658.5 Cr 
PAT

CREDIT RATINGS

CARE AA+

Credit Rating for Long-Term Debt

'Stable'

Outlook

CARE A1+

Credit Rating for Short-Term Debt



Six Laning of Chakeri Allahabad
Section of NH-2



Operational Performance

24

Years of Corporate Presence

5

New Projects Bagged in
FY 2022-23

25

Ongoing Construction Projects

60

Road/Highway Projects
delivered till Now

30

Major Airfield Pavements and
Other Projects delivered till Now

11

Projects under Operation

Leadership

10

Total Board Members

5

Independent Directors

1

Woman Director

CHAIRMAN'S NOTE



FY 2022-23 proved to be a favorable period for the infrastructure industry with remarkable progress across the sectors that helped the nation maintain its coveted position as one of the fastest-growing economies globally, while moving towards becoming a US\$ 5.0 trillion economy. The Government's continued commitment towards expeditious infrastructure development in core sectors, including social segments, created huge opportunities for all the stakeholders.

Dear Shareholders,

I am delighted to reconnect with all of you and present our Company's Annual Report for FY 2022-23. It gives me immense pleasure and pride to reflect on another successful year of consolidation of our position in the core sector where our Company consistently thrived, while foraying into new areas, to expand our horizons.

FY 2022-23 proved to be a favorable period for the infrastructure industry with remarkable progress across the sectors that helped the nation maintain its coveted position as one of the fastest-growing economies globally, while moving towards becoming a US\$ 5.0 trillion economy. The Government's continued commitment towards expeditious infrastructure development in core sectors, including social segments, created huge opportunities for all the stakeholders.

Roads and highways sector being the key infrastructure sector, where we have got our core competency and proven expertise, will continue to be one of the focus areas for the Government in overall development landscape, as the sector will remain in the forefront to play a significant role in catalyzing the accelerated economic development. Substantial increase in budgetary allocation for infrastructure reaffirms the Government's commitment towards strong economic growth and nation-building. In the Union Budget for FY 2023-24, the Government maintained its focus on infrastructure development with a 33% increase in capital expenditure for overall infrastructure spending amounting to ₹ 10 lakh Cr.

Ministry of Road Transport and Highways (MoRTH) has recently set construction and awarding target of 14,000 km and 12,000 km respectively for 2023-24. National Highways Authority of India (NHAI) is implementing the Bharatmala Pariyojana, India's largest highway infrastructure program and envisions developing 34,800 km of national highways. In FY 2022-23, the NHAI awarded national highway projects of length 6,003 km for construction. NHAI received a budgetary allocation of ₹ 1.62 lakh Crore for FY 2023-24, a 14% year-on-year increase hike. Ministry of Jal Shakti also witnessed a significant increase in budgetary grant with ₹ 97,278 Cr allocated in the current fiscal year, showing a substantial 41% rise from the previous year. With these favourable allocations in highways and water sectors, sizeable new business opportunities are anticipated for our Company going forward.

On the funding front, I wish to share with you that in the recent years, we have witnessed an increased interest from foreign investors, including pension funds, in acquiring operational road assets. This interest is clearly visible through their active participation in NHAI's TOT bundles and acquisition of several operational projects from road developers. External funding helps developers like us to address liquidity needs, unlock equity for reinvestment and reduce strain on the balance sheets. Consequently, this enables developers to participate more actively in projects on various funding models such as HAM (Hybrid Annuity Mode) and build-operate-transfer (toll), among others. Another remarkable development took place in the recent past government approval for formation of Infrastructure Investment (InvITs) for facilitating investment in the infrastructure sector. The roads and highways sector has been the distinguished beneficiary of this investment framework, as the majority of the established InvITs are from this segment.

Roads and Highways sector will remain in the forefront to play a significant role in catalyzing the accelerated economic development. Substantial increase in budgetary allocation for infrastructure reaffirms the Government's commitment towards economic growth. In the Union Budget for FY 2023-24, the Government maintained its focus on infrastructure development with a 33% increase in capital expenditure for overall infrastructure spending amounting to ₹ 10 lakh Cr.



Four Laning of Koilwar to Bhojpur
Section of NH-30 & 84

The FY 2022-23 proved to be another successful year for our Company, demonstrating decent growth in both turnover and profitability. We were able to achieve this despite the challenges, particularly the active and extended monsoon period, that continued until the third week of October 2022, disrupting the construction progress. Looking at our financial performance in the year under review, our revenue from operations reached ₹ 7,061 Cr on standalone basis, marking a 12% year-on-year increase. EBITDA also saw a decent growth, reaching ₹ 954 Cr, representing a 21% year-on-year surge. The profit after tax in FY 2022-23 was ₹ 611 Cr, demonstrating a remarkable increase of 37%. On a consolidated basis, revenue in FY 2022-23 stood at ₹ 7,956 Cr with a yearly growth of 10.4%, while consolidated EBITDA and PAT were ₹ 1,600 Cr and ₹ 658 Cr, registering yearly growth of 4.3% and 13.4%, respectively.

Our Company's unexecuted order book on March 31, 2023 was over ₹ 15,600 Cr, which didn't include value of our four new HAM projects and one EPC project secured during the fourth quarter of the FY 2022-23. Out of the total unexecuted orderbook, highway and expressway contracts contributed around 67%, and water supply projects around 33%. I am delighted to share with you that during the year, our Company achieved financial closures for all the seven hybrid annuity mode highway projects, secured during the FY 2021-22 within the scheduled timelines. Furthermore, appointed dates were set for all seven HAM projects announced in FY 2022-23, and construction activities promptly commenced across all of them. Considering the four new HAM projects secured by our Company in the fourth quarter of FY 2022-23, total HAM portfolio of our Company now comprises 22

I am delighted to share with you that during the year, our Company achieved financial closures for all the seven hybrid annuity mode highway projects, secured during the FY 2021-22 within the scheduled timelines. Furthermore, appointed dates were set for all seven HAM projects in FY 2022-23, and construction activities promptly commenced across all of seven projects.

projects with an aggregate bid project cost of ₹ 28,673 Cr, which is one of the highest benchmarks in the industry. Other significant milestones achieved during the year under review include:

- Our Company received ₹ 37 Cr towards bonus for 97 days ahead of schedule (early) completion for one of the EPC projects namely 'Development of Purvanchal Expressway (Package VI)' in Uttar Pradesh from Uttar Pradesh Expressways Industrial Development Authority on April 20, 2022.
- Our Company's subsidiary PNC Triveni Sangam Highways Private Limited (Concessionaire) received Provisional Completion Certificate (PCC) for 6-laning of Chakeri to Allahabad section of NH 19 (Old NH 2) on March 1, 2023.
- Till the end of FY 2022-23, revenue from drinking water supply projects crossed ₹ 1,000 Cr.

Our Company's robust balance sheet driven by prudent financial acumen has led to continuous upgrade in the credit ratings, including that of our subsidiaries. It gives me great pleasure to share with you that during FY 2023, our company credit facilities for Long Term Facilities was upgraded from CARE AA to CARE AA+ (Double A Plus) Outlook Stable, which is among the best ratings infra companies currently in the country have. Our Company's strong balance sheet and sustained credit ratings help us to raise the debt capital impressively at competitive rates.

While forging our path ahead, we always recognize the critical nature of our work, and empower employees to excel at every stage. We proactively invest in the growth and development of our employees, fostering a supportive work culture. With our dedicated employees, we strive to achieve our goals, while adhering to the highest ethical standards, nurturing a culture of teamwork and collaborative efforts in the best interest of the organization.

In closing, I want to convey my sincerest gratitude to each member of our team and all the stakeholders for their unwavering support and commitment throughout FY 2022-23. Your enduring dedication and belief in our path and accomplishments have proven to be immeasurable and unparalleled. I extend my heartfelt thanks to the Board for their invaluable guidance, our dedicated employees for their sincere efforts, and our partners for their unflinching confidence. Your support remains a constant source of motivation as we relentlessly strive to expand our horizon and reach new heights in our journey.

With best regards,

Pradeep Kumar Jain

Chairman and Managing Director


ABOUT PNC INFRA TECH


PNC Infratech Limited ('PNC' or 'the Company') is recognized as a comprehensive infrastructure solutions provider. The Company's capabilities extend from investment to development, design, construction, operation & maintenance and management of infrastructure projects. It's more than three decades of proven experience and expertise in expressways, highways, bridges & flyovers, airport runways, industrial area development and allied sectors made PNC among the leading Infra Companies in the Country.

PNC's competencies, right from mining to commissioning, with large fleet of state-of-the-art equipment, plant and machinery, integrated in-house planning and design, and engineering expertise, and experienced employee base and professional team enables it to undertake projects of varying complexity while prioritizing quality, safety, sustainability, and client satisfaction. The Company executes projects across diverse implementation modes, including item rate, EPC (Engineering, Procurement and Construction), DBFOT (Design-Build-Finance-Operate-Transfer) Toll, DBOT (Design-Build-Operate-Transfer) Annuity, OMT (Operate Maintain and Transfer), Operation and Management, and HAM (Hybrid Annuity Mode) across the sectors. The Company is currently implementing 20 EPC projects in highway, expressway, irrigation and rural drinking water across the geographies. PNC's team, with more than 10,000 employees consists of

Financial Performance (Standalone) - FY 2022-23

₹ 7,060.8 Cr 
Revenue

₹ 953.9 Cr 
EBITDA

₹ 611.5 Cr 
PAT

skilled and experienced professionals, including planners, engineers, designers, construction technicians, chartered accountants, legal experts, procurement specialists, company secretaries, and management professionals.

To support the operations, the Company has a large fleet of state-of-the-art plant and equipments, that includes modern stone crushers, high-capacity 'batch type' hot mix plants, fully mechanized wet mix plants, high capacity concrete batch plants, slip form sensor pavers for rigid pavements and sensor paver finishers for flexible pavement. Majority of these state-of-the-art equipments have been imported from technologically advanced countries, which enable PNC to deliver large-scale projects with exceptional quality ensuring efficiency, precision, and timely completion of projects.



Our Vision

To become among the top 3 infrastructure investment, development and construction company in India by year 2030.



Our Philosophy

In this age of technological revolution and globalization, one must think globally and act locally in the best interest of value creation and nation building.



Our Mission

We at PNC Infratech Limited strive to become a spearheading force in delivering infrastructure projects by continually achieving excellence in all spheres of activities while maintaining our leadership in timely completion of projects by adopting state-of-the-art and sustainable technologies.

Robust Portfolio

₹ **15,676 Cr**
Total Order Book as
on 31.03.2023

67%
Road & Highway Projects

33%
Water Projects

25
Ongoing EPC Projects

₹ **28,673 Cr**
Aggregate Bid Project Cost of
22 HAM Projects

27
Fund-based Projects on Various
PPP Formats, including BOT-Toll,
BOT Annuity and HAM

PNC's Integrated Business Model

Modern Equipment Bank

The ownership of a modern fleet of equipment enables quick mobilization and ensures the continuous availability of critical equipment. This leads to reduced costs and facilitates the timely completion of projects through enhanced control.

Own Quarries/Raw Material Sourcing

The ownership or leasing of quarries helps in securing raw materials and ensures project completion within the scheduled time and budget.

In-house Design & Engineering

By controlling the entire process from conceptualization to commissioning of a given project, PNC can provide customized solutions based on the specific requirements of clients.

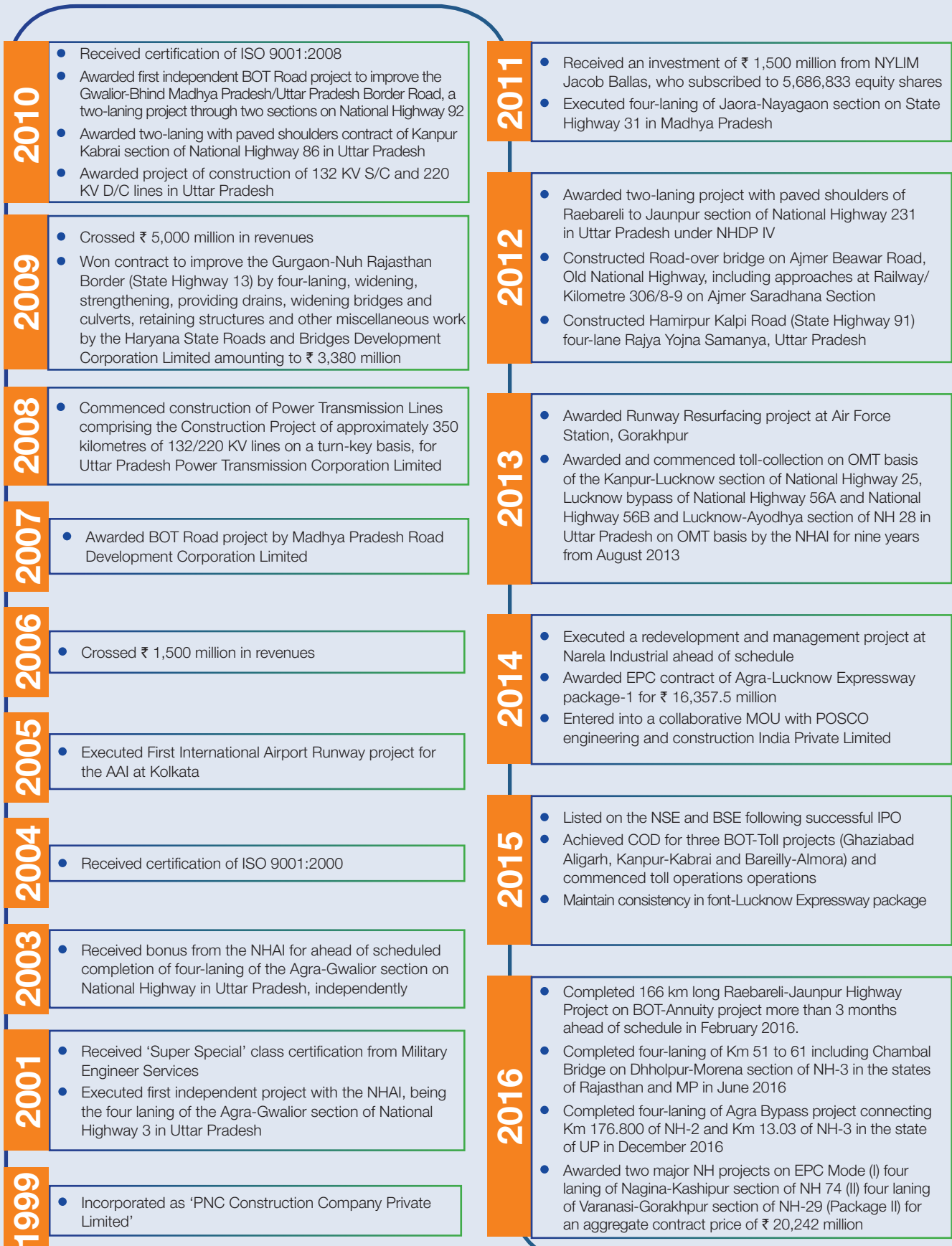
In-house Construction

By handling end-to-end construction in-house, PNC ensures timely completion of projects, reduces reliance on third-parties, and lowers costs.



Four Laning of Bhojpur to Buxar
Section of NH-84

JOURNEY SINCE INCEPTION



2020

- Achieved provisional completion and commercial operation date (COD) for four laning/two laning with paved shoulders of 83.5 km long Dausa-Lalsot-Kauthun section of NH-11 A (Extension) in the state of Rajasthan under NHDP IV, on Hybrid Annuity Mode
- Secured four new highway projects on Hybrid Annuity Mode (HAM), from National Highways Authority of India for aggregate Bid project cost of ₹ 6,596.0 Cr
- Secured two new highway projects on EPC mode from National Highways Authority of India for aggregate contract value of ₹ 1,547.8 Cr

2019

- Received final completion certificates for two of its EPC projects awarded by MoRTH (Barabanki-Jarwal and Sonauli-Gorakhpur)
- Received 'Provisional Completion Certificate' Improvement/Augmentation of 146.4 km long Aligarh-Moradabad section of NH-93 to two lanes with paved shoulders project
- 73 days ahead of the scheduled completion date and entitled for early completion bonus

2018

- Awarded three more highway projects on HAM, with an aggregate BID project cost of ₹ 45,130 million till July 2018
- Received ₹ 582.3 million early completion bonus for Agra-Lucknow expressway package in February 2018 from Uttar Pradesh Expressways Industrial Development Authority
- Awarded two contiguous packages of Purvanchal Expressway Project on EPC mode for a total cost of ₹ 25,200 million
- Received ₹ 337.3 million towards the 'Bonus Annuity' PNC Raebareli Highways Private Limited in May 2018 from National Highways Authority of India
- Awarded 4th package of Nagpur-Mumbai six lane super communication expressway in the state of Maharashtra, on EPC basis for a contract price of ₹ 1,999.52 Cr by MSRDC

2017

- Awarded four highway projects on Hybrid Annuity Mode (HAM) with an aggregate bid project cost of ₹ 50,350 million and one of them – Dausa-Lalsot-Kauthun section HAM project achieved financial closure well before time
- Traffic opened on Agra-Lucknow Expressway in February 2017, eleven months ahead of schedule and achieved provisional completion in October 2017
- PNC Infratech assigned 'stable' outlook credit ratings upgraded to stable outlook for projects such as MP Highways Private Limited, and PNC Raebareli Highways Private Limited

2021

- Secured four-laning of Meerut - Nazibabad section of NH-119 on HAM mode
- Secured 2 Packages of Delhi-Vadodara Alignment of Eight Lane Access Controlled Greenfield Expressway on EPC mode
- Commenced construction of Haraulipur Group of Villages (125 Nos) Water Supply Project comprising surface and ground water supply schemes and allied works including commissioning, operation and maintenance for 10 years in the Hamirpur district of Uttar Pradesh
- Upgraded Canal System from Pothreddypadu Head Regulator and BCR Complex from foreshore of Srisailam Reservoir and Improvements to existing SRBC/GNSS Canal up to berm level from Banakacherla Complex to Gorukallu Balancing Reservoir from KM 0.000 to KM 56.775
- Secured Survey, Design, Preparation of DPR, Construction, Commissioning and O&M for 10 years of Rural Water Supply Project in 979 villages in Devipatan Division of Uttar Pradesh
- Secured Survey, Design, Preparation of DPR, Construction, Commissioning and O&M for 10 years of Rural Water Supply' for a total village of 2,475 in six districts of Uttar Pradesh from the State Water Supply & Sanitation Mission, Namami Gange & Rural Water Supply Department

2022

- Secured three (3) new EPC Projects for Survey, Design, Preparation of DPR, Construction, Commissioning and O&M for 10 years of rural water supply for a total of 2,337 villages in Badaun, Aligarh and Barabanki districts of Uttar Pradesh from the State Water Supply & Sanitation Mission, Namami Gange & Rural Water Supply Department, Government of Uttar Pradesh
- Received Letter of Award (LOA) from NHAI for seven new projects on Hybrid Annuity Mode with an aggregate bid project cost of ₹ 84,460 million
- Achieved provisional completion and Commercial Operation Date (COD) for four HAM projects awarded by NHAI (Aligarh - Kanpur Pkg-II, Jhansi - Khajuraho Pkg-II, Chitradurga - Davengere, and Jhansi - Khajuraho Pkg-I)
- Received provisional completion certificates for two of its EPC projects awarded by UPEIDA (Purvanchal Expressway Package V & Package VI) and one of its EPC project awarded by NHAI (Nagina Kashipur). Received final completion certificate for one of its EPC project awarded by NHAI (Varanasi Gorakhpur Package II)
- Received ₹ 826.8 million as early completion bonus for Purvanchal Expressway (Package V) in March 2022 from Uttar Pradesh Expressways Industrial Development Authority
- Received certificates from Asia Book of Records and India Book of Records for highest quantity of bituminous mix (42,666 MT) laid and the longest length of flexible pavement (50.03 Lane Km) constructed in 100 hours at Delhi Vadodara Greenfield Expressway (Package-29)

2023

- Received ₹ 370.2 million early completion bonus for Purvanchal Expressway Package VI EPC Project in April 2022 from Uttar Pradesh Expressways Industrial Development Authority
- Signed Concession Agreements for seven new Hybrid Annuity Mode highway and expressway projects of National Highways Authority of India for an aggregate Bid Project Cost of ₹ 84,460.0 million, during the year 2022-23
- Secured a Railway Project on EPC Mode from Haryana Orbital Rail Corporation Limited for an aggregate contract value of ₹ 7,714.6 million in March 2023
- Secured three Hybrid Annuity Mode (HAM) Highway Projects from National Highways Authority of India and one from Ministry of Road Transport & Highways for aggregate Bid Project Cost of ₹ 40,834.3 million in March 2023
- Received Provisional Completion Certificate for project namely '6-laning of Chakeri to Allahabad section of NH-19 in the state of UP under NHDP Phase-V on Hybrid Annuity Mode', in March 2023

PAN-INDIA PRESENCE

PNC has executed projects in 16 states across the country.



Disclaimer:

This map is a generalized illustration only for the ease of the reader's understanding of the locations and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind of connection with its accuracy or completeness.

ESTEEMED CLIENTELE

PNC's clientele includes a diverse range of Government authorities and organizations involved in infrastructure development. The Company's extensive client base reflects its strong presence and ability to provide infrastructure solutions to various Government entities across different states and sectors.

OUR CLIENTELE



Major Bridge on Ganga River (Four Laning of Bhojpur to Buxar Section of NH-84)

COMPETITIVE EDGE

PNC holds a distinct competitive edge in the industry, by its integrated business model with ownership of a large fleet of modern equipment that ensures quick mobilization and uninterrupted access to critical resources. The Company's in-house design and engineering capabilities provide a competitive advantage by delivering tailored solutions as per the specific requirements of clients, thus reducing reliance on third-parties, ensuring timely project completion and cost efficiency. The following factors contribute to PNC's competitive edge in execution.



Core Strengths

PNC's comprehensive range stretches from mining to commissioning, with robust financials provide indomitable position across both fund and non-fund-based mandates, which reflects its well-balanced order book. PNC's exceptional project management expertise ensures seamless execution, establishing it as a benchmark of Company's timely delivery and reliability.

The Company's outstanding financial performance and top-tier industry credit profile are testaments to its long term sustainability.

Strategic Selection of Projects: PNC consistently adheres to the fundamental strategy of bidding projects prudently. The Company focuses on right projects, with right clients, and at right price.



Vigilantly Grasping

The right opportunities to foster a robust business pipeline

Stable Order Book for Predictable Revenue Growth: By leveraging its commendable track record, core competencies, and robust execution capabilities, PNC expanded its footprint into new infrastructure sectors like irrigation and drinking water supply projects. During FY 2022-23, the Company secured new mandates totaling more than ₹ 4,855 Cr. This new business stream, combined with its regular presence in the roads and highways sector, facilitated the Company to mitigate concentration risks.

₹ 4,855 Cr
 New orders secured during
 FY 2022-23

₹ 15,676 Cr
 Unexecuted order book

Robust Financial Position and High Credit Ratings: PNC's disciplined financial management has consistently helped it maintain strong balance sheets over the years. The Company's impeccable debt servicing and management have led to impressive credit ratings with a stable outlook for both short-term and long-term borrowings.

CARE AA+
 Credit Rating for
 Long-Term Debt

'Stable'
 Outlook

CARE A1+
 Credit Rating for
 Short-Term Debt

Comprehensive In-house Solutions and Expertise: PNC offers complete, integrated infrastructure development solutions under one roof. The Company's proven in-house competencies encompass investment, design, development, construction, operation, maintenance, and management. With a diverse range of capabilities, from in-house mining and crushing of minor minerals to the deployment of a trained workforce, advanced machinery fleet, as well as project testing and commissioning, PNC often completes projects ahead of schedule.

Timely Project Completion
 Gaining an Edge over Other Industry Players



Water Treatment Plant
 in Hamirpur District

Wide Networking and Lasting Relationships

By Fostering Strong Collaborations and Partnerships

PNC has successfully established and fostered lasting relationships with a wide range of stakeholders, including project authorities, government entities, lenders, equipment manufacturers, vendors, subcontractors, consultants, industry experts, and technology providers. These enduring relationships and strategic partnerships substantially aid the Company in executing projects in an efficient manner with proper resource utilization and allocation.

Over ₹ 1160 Cr

Gross Block as on March 31, 2023

Large Fleet of Plant & Machinery and Workforce driving Complex Operations: PNC's gross block at over ₹ 1,160 Cr as on March 31, 2023 positions it favorably to handle projects upto ₹ 10,000 Cr annually, leveraging its available in-house plant and machinery. The Company's large workforce consisting of over 10,000 employees, including experienced project execution and support teams, enhances its ability to achieve ambitious project targets across various geographical regions and sociocultural environments.

Backing Financial Credentials that are Unparalleled in the Industry

PNC's fund-based limit of ₹ 1,000 Cr and a non-fund-based limit of ₹ 5,000 Cr, equip it to undertake and bid for a larger number of major projects without any liquidity challenges or qualification limitations.

Six Laning of Chakeri Allahabad
Section of NH-2



Enhancing Market Presence through Strategic Roadmap

PNC is driven by a set of key strategic imperatives that guides its path to success. By continuously exploring and adopting cutting-edge advancements, the Company stays at the forefront of industry trends, enabling it to deliver innovative solutions to clients.

Expanding the Horizons

The Company strives to broaden its boundaries, chartering new infrastructure territories, while maintaining a persistent interest in the roads and highways sector.

Performance and Competitiveness

The Company strives to uphold operational efficiency and maintain its competitive edge in all business ventures.

Building Strong Alliances

PNC's aim is to nurture and sustain robust relationships with its clientele and strategic associates.

System Strengthening

With a focus on organizational excellence, the Company strives to bolster its internal systems and processes.

Commitment to Sustainability

PNC's principal approach prioritizes the adoption of sustainable practices across all areas of its operations.

Working Capital Limits

- Fund-based limit of ₹ 1,000 Cr, which will enable PNC to execute projects without financial constraints
- Non-fund-based limits of ₹ 5,000 Cr will enable bidders to bid for higher number of projects that are larger in size

Men and Machinery-Added to Execute More Projects

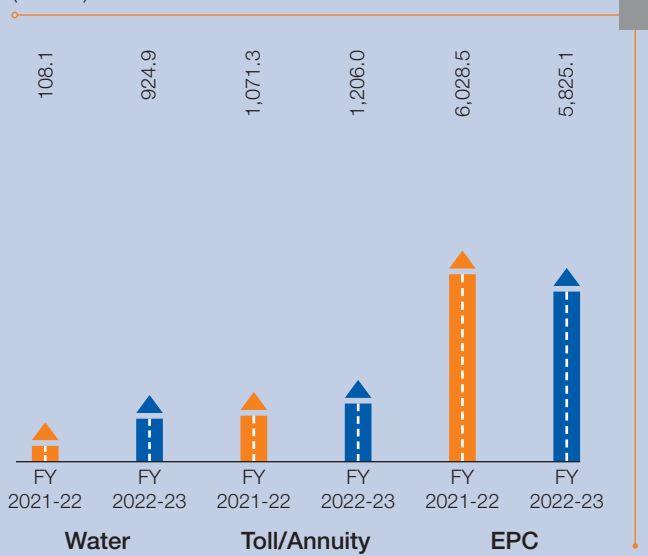
- Strengthening the in-house execution team skill sets with the induction of engineers with strong technical knowledge
- Continual Investments in machinery over the years augments and upgrades the execution capabilities

FINANCIAL HIGHLIGHTS

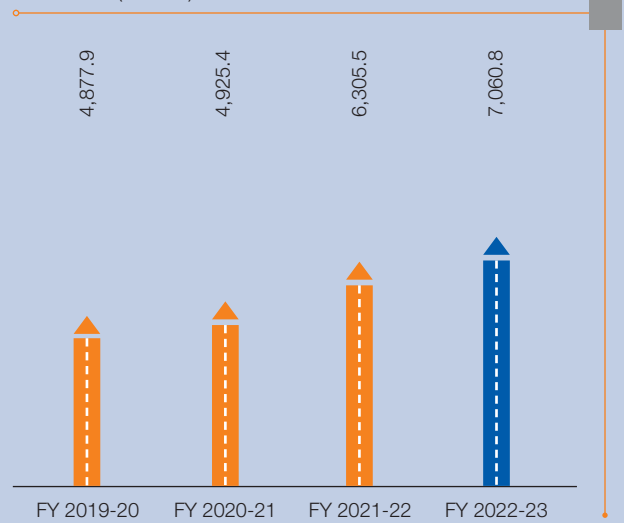
PNC has consistently achieved robust financial performance, underscored by substantial revenue growth, healthy profit margins, and an exceptional credit profile in the industry. The financial solidity is a testament to the Company's strategic decision-making, operational efficiency, and commitment to delivering high-quality infrastructure projects within budgeted costs and timelines. Leveraging its sound financial standing, PNC continues to foster innovate, and expand its operational portfolio, and reinforce its position as a trusted partner in the nation building.

Segmental Revenue Break-Up Comparison

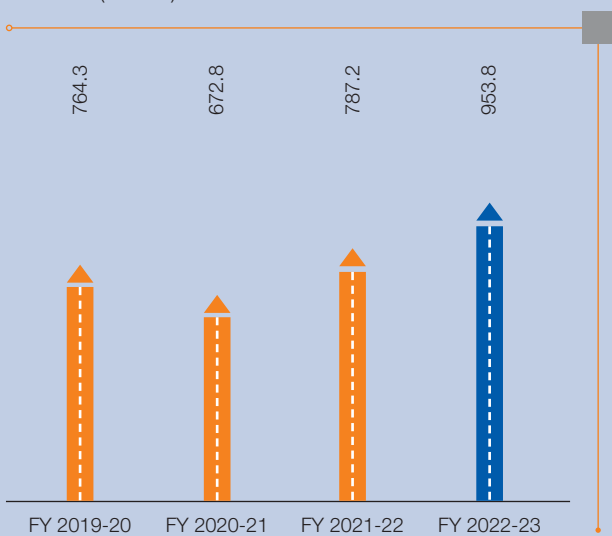
(₹ in Cr)



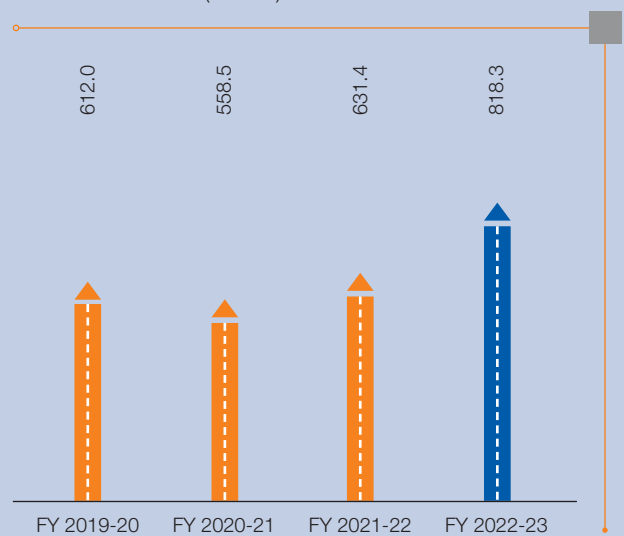
Revenue (₹ in Cr)



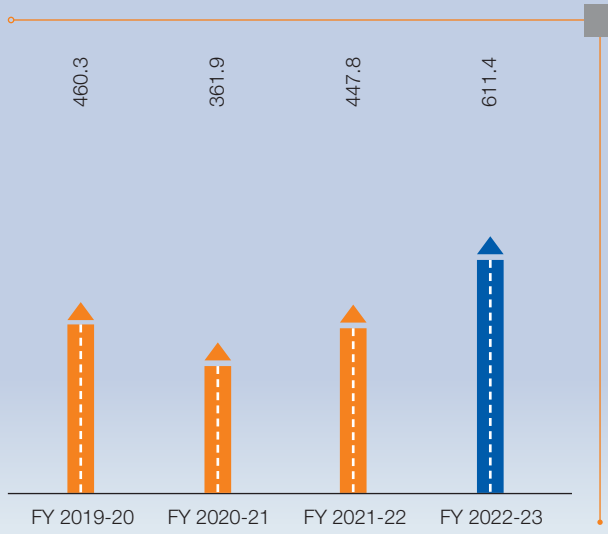
EBITDA (₹ in Cr)



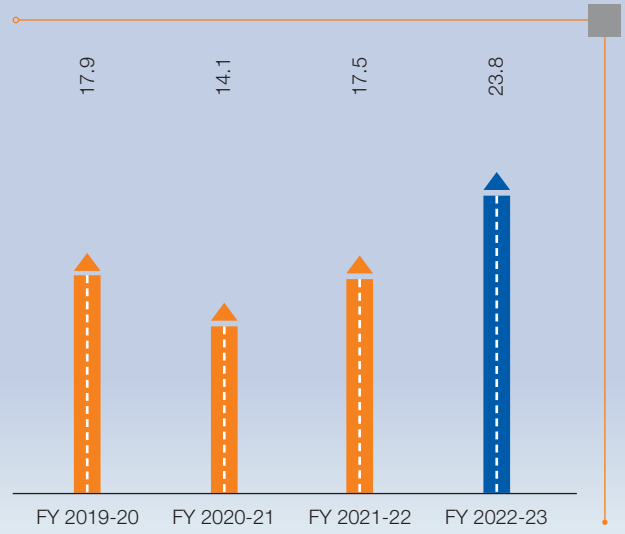
Profit Before Tax (₹ in Cr)



Profit After Tax (₹ in Cr)



Earnings Per Share (in ₹)



Drinking Water Supply - Surface Scheme in Hamirpur District

MEET PNC'S LEADER



BOARD OF DIRECTORS

1

Mr. Pradeep Kumar Jain
Chairman and Managing Director

With an extensive professional career spanning over 45 years, Mr. Pradeep Kumar Jain has garnered expertise in the construction, operation, and management of projects within the infrastructure sector and related domains. He plays a vital role in overseeing various aspects of the Company's administration, encompassing relationship management and corporate management.

2

Mr. Chakresh Kumar Jain
Managing Director

Mr. Chakresh Kumar Jain brings to the table over three decades of expertise in the infrastructure sector, contributing to the construction of highways, airports, and rail overbridges, among other projects. His multifaceted responsibilities within the Company includes overseeing finance, procurement, taxation, and project administration.

3

Mr. Yogesh Kumar Jain
Managing Director

With an impressive track record spanning 27 years, Mr. Yogesh Kumar Jain excels in the planning, execution, and supervision of projects from the initial prequalification and tendering stages to completion and handover. His experience extends across various sectors and geographical locations. Within the Company, Mr. Jain holds significant responsibilities in comprehensive project management, including business development, contracting and construction management, ensuring the successful completion of projects.

4

Mr. Anil Kumar Rao
Whole-time Director

Mr. Anil Kumar Rao has over 39 years of experience in implementation and operation & management of infrastructure projects in array of sectors, which include highways, bridges, airport pavements, rail track construction, heavy industrial structures, and industrial area development etc across geographies and cultures. He looks after overall planning, detailed engineering, monitoring, execution, operation and management of projects. He also looks after contract administration and arbitration matters of the Company.

5

Mr. Talluri Raghupati Rao
Whole-time Director

Boasting over three and a half decades of professional expertise, Mr. T. R. Rao has made significant contributions to the planning, engineering, implementation, and management of a wide range of infrastructure projects. His portfolio encompasses highways, expressways, bridges, airports, ports, industrial area development, drinking water supply, and urban infrastructure. His competence in project structuring extends to various Public-Private Partnership (PPP) models as well. Within the Company, Mr. T. R. Rao's roles are diverse, including business development, project monitoring, contract administration, and the supervision of operational projects on BOT-Toll, Annuity & HAM, including their divestment activities. Additionally, he manages arbitration proceedings and handles the Company's corporate communications.



1

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6

Mr. Gauri Shankar
Independent Director

Mr. Gauri Shankar, with an extensive career spanning over four decades in the Banking and Finance, brings rich expertise to his role. His prominent stint includes serving as the Managing Director and Chief Executive Officer of Punjab National Bank in 2015, where he was previously an Executive Director. During his tenure at PNB, he helmed the bank's wholly-owned subsidiary, Punjab National Bank (International) Limited, London, as its Chairman. Additionally, Mr. Shankar held directorships at various intervals in other subsidiaries and joint ventures, such as PNB Housing Finance Limited, PNB Gilts Ltd., and Punjab National Bank Kazakhstan. Since May 23, 2018, he has been a valued member of the Company's Board of Directors.

7

Mr. Krishan Kumar Jalan
Independent Director

Having served as the Secretary to the Government of India, Mr. Krishan Kumar Jalan brings over 35 years of experience from the Indian Administrative Service (IAS), specifically within the Haryana Cadre. His distinguished service record includes tenures as the Additional Chief Secretary, Principal Secretary, Secretary, and Director across various departments of the Haryana Government. Additionally, he has played a notable role in the Central Government as the Central Provident Fund Commissioner. Adding another accomplishment to his illustrious career, Mr. Jalan has been serving as a Director on the Company's Board since February 13, 2019.

8

Mr. Subhash Chander Kalia
Independent Director

Mr. Kalia, boasts an impressive 41-year career in the banking and finance sector, establishing himself as a seasoned professional. He has held significant positions in several major banks, including Vijaya Bank, Bank of Baroda, and Union Bank of India, and has also served as the Chairman of the Regional Rural Bank in Pratapgarh. Currently, Mr. Kalia is a member of several prestigious committees and organizations. He serves on the Empowered Committee of the Reserve Bank of India, responsible for overseeing External Commercial Borrowing. Additionally, Mr. Kalia contributes to the Governing Council of Bankers at the Institute of Rural Development in Lucknow and is a member of the Banking and Finance Committee at the Indian Merchant's Chamber in Mumbai. On March 25, 2021, he joined the Company as a Director on the Board.

9

Ms. Deepika Mittal
Independent Director

Ms. Deepika Mittal, an accomplished Chartered Accountant, holds Bachelor's degrees in Commerce and Law. With a focus on financial management, taxation, and auditing, she has consistently developed her professional journey over a period of twenty years. In addition to her professional engagements, she serves as a partner at M/s. PMA & Co., Chartered Accountants based in Agra. Since September 8, 2014, she has further augmented her experience by serving as a Director on the Company's Board.

10

Mr. Ashok kumar Gupta
Independent Director

With a Bachelor's degree in Medicine and a Master's degree in Surgery, Mr. Ashok Kumar Gupta brings a significant academic perspective to his roles. Serving on the Company's Board of Directors since October 25, 2009. In addition to his medical qualifications, Mr. Ashok possesses an impressive background in business and management. Moreover, he has shared his knowledge and experience as a Professor at S. N. Medical College, Agra.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

As per the World Economic Outlook (April 2023 edition) published by the International Monetary Fund (IMF), global GDP growth was impacted in FY 2022 due to persistent inflation, the resurgence of Covid-19 pandemic in China, and geopolitical hostility between Russia and Ukraine. The IMF expects the adverse impacts of these factors to remain in FY 2023 as well. It forecasts global growth, estimated at 3.4% in 2022, to fall to 2.8% in 2023 before rising to 3% in 2024. If the global banking crisis continues, the estimated growth for 2023 could decline to about 2.5%, with advanced economies projected to grow below 1% on average.

The global economy, despite facing the above-stated challenges, was expected to bounce back driven by easing inflation, an improved supply chain, and central banks around the globe hinting at the end of the rate hike cycle in the near future. However, the fall of banks based in the United States and the near collapse of Credit Suisse and its subsequent merger with UBS in Europe have dampened the overall sentiments, along with the possibility of a funding winter. The uncertainty surrounding the world's economic outlook has consequently intensified.

Indian Economic Overview

India's growth bounced back in late FY 2021 and early FY 2022 on the back of low base and pent-up demand due to improved consumer sentiments. The Indian economy, however, got affected by the external challenges mainly caused due to Russia-Ukraine conflict. The economy witnessed a spike in the inflation level during FY 2022 driven by the conflict-induced disruption in the overall supply chains and more particularly in the oil & gas sector. Moreover, lockdowns announced in China due to the sudden rise in the Covid-19 pandemic cases impacted the overall supply chain.

The inflation levels remained above the Reserve Bank of India's (RBI) tolerance limit of 6%, resulting in policy rates getting hiked by 2.5% between May 2022 and March 2023. The RBI is expected to put a pause on policy rate hikes during FY 2023-24 in line with all other central banks to, to balance the sustainable growth and inflation.



Major Bridge on Sone River (Four Laning of Koilwar to Bhojpur Section of NH-30 & 84)



Over the past few years, the balance sheets of many private and public sector companies have improved. This has also strengthened the balance sheets of banks, which provide the capital necessary for consistent growth. Sustained healthy levels of Goods and Services Tax (GST) collections stood at ₹ 1.87 lakhs Cr in April 2023, marking it as the highest ever GST revenue collection. The high level of direct tax receipts is expected to provide the necessary fiscal and revenue support to the economy. High frequency indicators, such as passenger and commercial vehicle sales, air passenger traffic, the Purchasing Managers' Index (PMI), and FASTag Toll Collection reaching their all-time highs also indicate a significant recovery in economic activities across sectors.

With progressively receding Covid-19 pandemic cases, the hospitality and tourism industry is also expected to witness significant growth. Private and public sector capex has picked up considerably, especially in consumer durables, electronics, oil & gas, chemicals, pharmaceuticals, and infrastructure.

India's well-coordinated fiscal and monetary policy initiatives to contain inflation, while channelling capital to have sustainable growth, have boded well. As a result, India has remained well shielded from most of the external shocks and well positioned to remain one of the fastest growing economies in the world.

Infrastructure Sector Overview

The Indian economy's main growth engine is the infrastructure sector. The Government of India (GoI) gives highest priority on its development to guarantee the country's overall development. The core infrastructure sector mainly includes the development of highways & expressways, bridges & tunnels, the railway network & metros, ports & container terminals, multimodal logistic parks, and urban infrastructure. The GoI is working on the development of a significant number of new large infrastructure projects across the sectors under the framework of National Infrastructure Pipeline, estimated to cost US\$ 1.3 trillion. Given the fact that the Government prioritises the development of infrastructure for overall economic development, the infrastructure is expected to create large-scale opportunities for all the stakeholders, including development and construction companies.

PM's 'Gati Shakti National Infrastructure Master Plan' is a breakthrough initiative of the Government of India. Its objective is to create multi-modal connectivity that provides integrated and seamless connectivity for the movement of people, goods and services. The goal is to reduce logistic costs in the country to internationally competitive levels. The program aims to institutionalize holistic planning for stakeholders across major infrastructure projects through the utilization of a geo-spatial planning platform developed by BISAG-N. This initiative will also help to eliminate the delays brought on by the large number of permissions and the slow clearance processing in developing core infrastructure projects. Given the limitless opportunities, this initiative also enables active private sector participation in developing and operating national infrastructure projects, which will help India improve its infrastructure to global standards.

Infrastructure development is imperative if India is to achieve its goal of becoming a US\$ 5 trillion economy before 2030. As mentioned before, in order to catalyze the rapid growth of the infrastructure sector, the Government

had already introduced the National Infrastructure Pipeline (NIP), National Monetization Pipeline (NMP), along with other programs like 'Made in India' and the Production-Linked Incentives (PLI) program. As a general norm in developing countries, financing for transportation, energy, water, and irrigation has accounted for more than 80% of the nation's infrastructure investment.

Moreover, the Government of India has ramped up highway projects awarding activities through NHAI and NHIDCL under the aegis of MoRTH. Towards this endeavor, MoRTH and its bodies built 10,237 km in FY 2019-20, 13,327 km in FY 2020-21, 10,457 km in FY 2021-22 and 10,331 km in FY 2022-23. Though the Government targeted completing 12,000 km of highway in FY 2022-23, it could not achieve the same due to prolonged monsoons and persistent land acquisition issues. In FY 2022-23, NH projects of 12,376 km aggregate length were awarded for construction by the Government. The MoRTH plans to roll out 12,000 km of highways and construct 12,500 km of highways in FY 2023-24.

Enabling Government Policies for Active Private Sector Participation and Expediting Development Process

The GOI also announced initiatives to improve the ease of doing business for road developers from the private sector by unleashing their potential, both in terms of investing in, developing and operating roads and highways in the country during FY 2022-23 that included:

- ▶ In order to expedite the disbursement of compensation towards the acquisition of land to the land owners, NHAI announced that the amount will be transferred directly to the beneficiaries' accounts through the 'Public Finance Management System'. This will avoid the blocking of thousands of Crores of NHAI funds in the bank accounts of respective district administrations across the states for prolonged periods, so that the available funds can be utilized efficiently and productively.
- ▶ The Ministry of Road Transport and Highways extended a host of relief measures that were implemented to improve the liquidity and, in turn, the balance sheets of highway contractors and concessionaires until March 31, 2024, under the 'Atmanirbhar Bharat Abhiyan'. As per the notification issued by the Ministry in April 2023, all the HAM and EPC contractors will continue to get paid on a monthly basis for their work done for the period till March 31, 2024.



Varanasi Gorakhpur Section of NH-29

- ▶ The NHAI is considering halving the upfront payment made to highway builders for the development of HAM projects. As opposed to the customary 40% payment for projects, the NHAI is considering paying only 20% of the cost during development. If this idea is adopted, private investment in the industry would expand, and NHAI would be able to bid on more kilometers while still using the same pool of funding. Companies with strong balance sheets and enough capitalization are expected to gain from this policy change.
- ▶ The MoRTH has recently revealed its intention to take over state highways with significant traffic volumes from the state governments for a period of 25 years in order to widen them to four or six lanes. During the next 12 to 13 years, the Ministry anticipates that user fee revenues that will accrue to MoRTH or its Authorities/Corporation, will allow them to fully recoup their investments.
- ▶ As part of the PM Gati Shakti National Master Plan for multimodal connectivity, the Multi Modal Cargo Terminal (GCT) policy was launched in 2020 to boost investment in the development of cargo terminals across the country. The policy aims to create a seamless multimodal transportation network that will facilitate efficient logistics and the movement of goods. GCTs are the facilities that allow the seamless transfer of goods between different modes of transportation, such as rail, road and air, which offer increased efficiency, reduced pollution, increased employment and improved safety.

NHAI Deleveraging, a Significant Growth Trigger

- ▶ NHAI has set a monetization target of 21,700 km of highway stretches in three years, starting from FY 2022-23. It could help the NHAI to raise ₹ 2 lakhs Cr. The NHAI is aiming to monetize 1,987 km of highways in 2023-24 through 'toll operate transfer' and infrastructure investment trust (InvIT) modes. The NHAI had set a target of monetizing 14 highways of 1,750 km in 2022-23. As of March 22, 2023, NHAI had realised ₹ 10,368 Cr in FY 2022-23 from 487.7 km of road assets.
- ▶ As far as asset monetization is concerned, the Government has monetized assets worth ₹ 26,000 Cr during FY 2022-23 till February 2023 against the target of ₹ 1.6 lakh Cr, while a proposal pipeline aggregating to ₹ 1.23 lakh Cr is currently at various stages of processing. With ₹ 88,000 Cr realised in FY 2021-22, the overall monetization value realised in FY 2021-22 and FY

2022-23 is now ₹ 1.14 lakh Cr, which is approximately 19% of the ₹ 6.0 lakh Cr target set under the National Monetisation Pipeline (NMP) over a four-year period (from FY 2021-22 to FY 2024-25).

- ▶ According to industry sources, NHAI has set ambitious targets to monetize 46 operational highway stretches, totaling 2,612 km in the current financial year. This move is aimed at strengthening resources for the organization's road building program. Projects worth approximately ₹ 60,000 Cr have been identified for monetization in 2023-24. The pipeline of projects is expected to generate significant revenue.
- ▶ The asset monetization will reduce the debt burden on the NHAI and accelerate the pace of highway construction further.

Continued Growth Momentum in User Fee Collections

Total user fee collection through FASTag, including State highway toll plazas, grew 46% YoY to ₹ 50,855 Cr in FY 2022 from ₹ 34,778 Cr in FY 2021 as per MoRTH. Similarly, the number of FASTag transactions also witnessed a growth of about 48% in 2022 as compared to 2021. Further, on April 29, 2023, daily toll collection via the FASTag system reached an all-time high of ₹ 193.15 Cr.

The growth in toll collections was mainly on account of improved commercial vehicle traffic due to normalized economic activities along with increased passenger vehicle traffic during the festive seasons. Also, the number of toll plazas under the FASTag program has increased from 770 to 1,228 including 339 state toll plazas.

As per credit rating agency ICRA, the robust growth in user fee collections in FY 2022-23 was due to a toll rate hike, which is linked to inflation and improved economic activity. The traffic volumes strongly correlate with the gross value added (GVA) of construction, mining, and manufacturing (CMM), as around 65% of the freight traffic is dependent on these sectors.

The adaptation of the FASTag system has brought efficiency to overall toll operations along with plugging the leakages. This has enhanced the interest of private players to enter this space as well as the interest of private investors to buy the toll assets.

Union Budget Highlights for the Infrastructure Sector

Overall Sector

- ▶ Announced a hike in capital expenditure by 33% to ₹ 10 lakh Cr for infrastructure development for 2023-24, which will be at 3.3% of the GDP.
- ▶ An expert committee will also be set up to make the infrastructure classification and financing framework suitable for Amrit Kaal.
- ▶ The newly established infrastructure finance secretariat will assist all stakeholders, including railways, roads, urban infrastructure, and power, which are predominantly dependent on public resources.
- ▶ To boost the logistics sector, 100 critical transport infrastructure projects for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified with an investment outlay of ₹ 750 billion, including ₹ 150 billion from private sources.

Highways

- ▶ Allocation to the National Highways Authority of India (NHAI) increased to ₹ 1.62 lakh Cr for FY 2023-24 from last year's revised allocation of ₹ 1.42 lakh Cr.
- ▶ The Budget has allocated an enhanced outlay of ₹ 2.70 lakh Cr for the highways sector. An allocation of ₹ 1.99 lakh Cr was initially made for the highways sector in 2022-23, but it was later revised to ₹ 2.17 lakh Cr.

Railways

- ▶ Allocated a capital outlay of ₹ 2.40 lakh Cr for the Indian Railways in the Union Budget 2023-24. This highest-ever outlay is about nine times the outlay made in FY 2013-14.
- ▶ The Jal Shakti Ministry has been allocated ₹ 97,278 Cr in the Union Budget 2023-24. Under the Jal Shakti Ministry, the Drinking Water and Sanitation Department has been allocated ₹ 77,223 Cr, while ₹ 20,055 Cr has been allocated to the Department of Water Resources, River Development, and Ganga Rejuvenation. Jal Jeevan Mission has been allocated ₹ 69,684 Cr, or approximately 27% more compared to the previous year's budget.

Airport Sector

India has become the third-largest domestic aviation market in the world. As per Directorate General of Civil Aviation (DGCA) data, India's air passenger traffic grew 47% YoY to 12.3 Cr in FY 2022, indicating a strong rebound in the civil aviation industry after facing the Covid-19 pandemic induced challenges in FY 2020 and FY 2021. This robust growth is also fueled by rising disposable income in middle-class households, stiff competition between low-cost carriers (LCC) and the Government's push through schemes like UDAN, which has triggered an increase in air traffic for multiple tier-2 cities. India is expected to be the world's third-largest air passenger market in the next ten years, by 2030, according to the International Air Transport Association (IATA). At present, India has 148 operational airports which include 29 international airports, 92 domestic airports and 10 customs airports. In the last 10 years, the number of airports has gone up from 74 to 141 (including helipads and water dromes). The Government expects to invest US\$ 1.83 billion in airport infrastructure development by 2026. The Airports Authority of India (AAI) awarded six airports, viz., Ahmedabad, Jaipur, Lucknow, Guwahati, Thiruvananthapuram, Mangalore for operations, management, and development under PPP mode for a period of 50 years. As per the NMP, 25 more airports of AAI have been earmarked for asset monetization between 2023 and 2025.



Company Overview

PNC Infratech Ltd. (referred to as 'PNC Infratech' or 'The Company') which was founded in 1999, has significantly contributed to the development of India's infrastructure, especially in the roads and highways sector and airport pavements. The Company provides end-to-end infrastructure implementation solutions, including EPC services on a fixed-sum turnkey basis. Additionally, it carries out and implements projects using various public-private partnership models, such as Design-Build-Finance-Operate-Transfer (DBFOT), Operate-Maintain-Transfer (OMT), conventional and Hybrid Annuity Mode (HAM) projects. PNC Infratech is one of the few infrastructure firms in India with a proven track record of investment, development, construction, operation, maintenance, and management of highway projects across geographies.

The Company is One of the Leading Integrated Infrastructure Players in the Country with In-house End-to-End Capabilities

PNC Infratech has established its credentials as a formidable player in the construction of bridges, flyovers, airport pavements, roads, highways, expressways, industrial area development, and rural drinking water supply projects during the past 25 years. The Company is capable of undertaking EPC projects with a ticket amount of up to ₹ 5,000 Cr on its own. During the past five years, it has made investments in the highway sector totalling approximately over ₹ 8,000 Cr in terms of equity and debt. With a current gross block of over

₹ 1,300 Cr and a large fleet of construction plant, equipment, and machinery, the Company has the capacity to carry out works of aggregate value 6 to 7 times, i.e., 8,000 to 9,000 Cr in a year. Additionally, PNC Infratech owns and takes lease of quarries as part of input cost management for sourcing stone aggregates for use in construction. In order to strengthen its capacities for project execution, the Company built a strong team over the years with proven delivery capabilities and a track record. Its current total manpower strength is over 9,300 in different disciplines, including design, planning, traffic & financial viability analysis, engineering, development, construction, operation, and management supported by finance, accounts, HR, procurement, and administrative staff.

Well Positioned and Geared-up to Reach Next Level of Growth through Scaling-up of Operation and Controlled Diversification

With technical, operational, and functional expertise built over the past two and a half decades, PNC Infratech remains confident of maintaining its growth trajectory with an optimal mix of sectors and proper risk and working capital management in place. The Company will focus on incrementally growing its presence in sunrise sectors, such as water management, railways, and urban development, among others, where it finds synergy. To maintain its pace of expansion without running the risk of concentration, the Company is concentrating on diversifying its project development business. The road sector will still be the key focus area. With its active presence and large involvement in Jal Jeevan Mission projects (large number of rural drinking water projects in UP), PNC Infratech anticipates a substantial inflow of further mandates over the short- and medium-terms, as it is looking forward to expanding its order book in the water sector. Additionally, the Company is focusing on establishing its presence in the railway sector with a strategic entry strategy and collaborations as required.

Multi-State Presence with Cluster-Based Approach

A sizable portion of the current order book of PNC Infratech is located in North India due to its headquarter being based in Uttar Pradesh (UP), its long history of successfully completing projects in UP and its neighbouring states over the years. In addition to UP, Rajasthan, Haryana, Punjab, Bihar, Uttarakhand, and Madhya Pradesh, the Company currently has a presence in the Delhi-NCR region, Gujarat, Karnataka, Andhra Pradesh, and Maharashtra. PNC Infratech has completed 90 major infrastructure projects across sectors across the states so far. The Company now has 27 PPP modelled projects in total, including BOT-Toll, BOT-Annuity and HAM assets. Out of the above 27 fund-based mandates, 22 are HAM projects with an aggregate bid project cost of ₹ 28,673.00 Cr. Among the 22 HAM projects, there are 6 operational projects, 12 projects under construction, and 4 projects where PNC Infratech has recently executed concession agreements. In the past few years, UP has emerged as one of the fastest-growing Indian states with rapidly growing urban as well as rural infrastructure. The state's focus on 360-degree infrastructure development bodes well for the Company, which has a deep understanding of the geography, socio-political environment as well as its long presence.

PNC Infratech has a cluster-based strategy with a large number of ongoing projects located in Uttar Pradesh. The Company makes the most of its strategic position to maximize resource utilization and levelling, which improves operational leverage and profit margins.

Existing Pre-Qualification Credentials along with Strong Relationship with Public Sector Clients

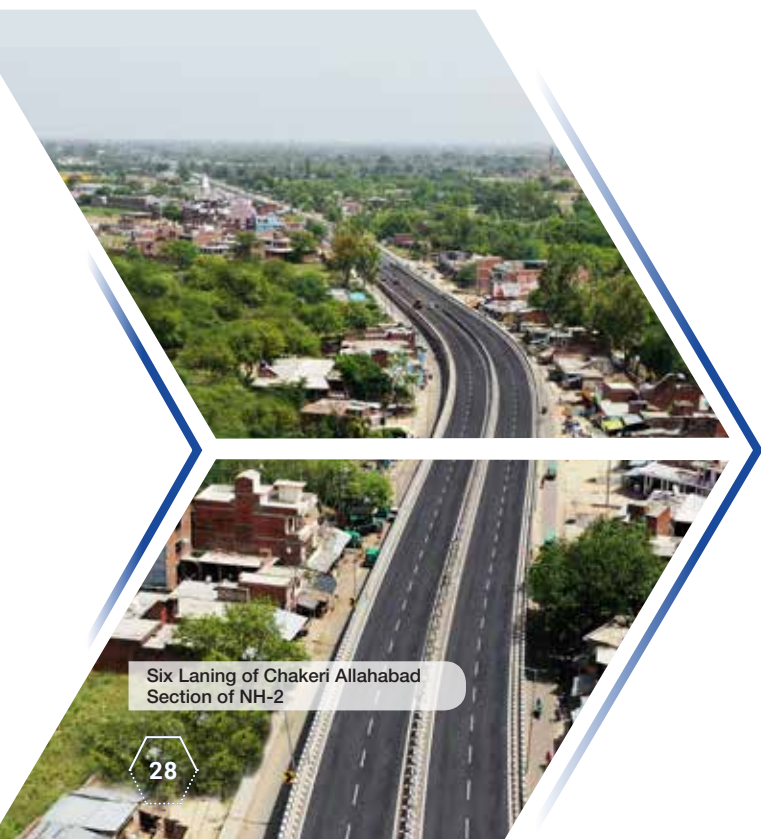
PNC Infratech has developed extensive experience over the past two and a half decades, working on numerous projects with state and central governments. Moreover, the Company has established strong, long-term relationships with key infrastructure development authorities, such as NHAI, MoRTH, the Airports Authority of India, Military Engineering Services, State Roads Development Authorities, and Public Works Departments, among others. During FY 2022-23, the Company implemented multiple projects across several states, which helped it mitigate risks and manage the working capital cycle efficiently. A strong track record of project execution has enabled PNC Infratech to qualify for bidding on large projects. Moreover, the Company can bid individually for projects up to ₹ 5,000 Cr, meeting all financial and technical qualifications.

Financial Prudence, Healthy Order Book Position & Strong Balance Sheet

PNC Infratech is witnessing multiple growth levers through a strengthened balance sheet, cost optimization initiatives and a diversified value proposition. The Company is successfully able to raise debt at lower rates, ensure faster financial closures and continuous improvement in its credit ratings. It had a standalone net debt to equity ratio of 0.11x as of FY 2022-23 (consolidated net debt/equity at 1.46x). PNC Infratech will continue to fund the HAM projects through internal accruals and the monetization of essentially operational HAM assets. In FY 2022-23, the Company received new orders of a total value of ₹ 4,855.0 Cr with a total order book on March 31, 2023, of ₹ 20,500 Cr, including new contracts secured in FY 2022-23, which provides a strong revenue visibility over the next two years. PNC Infratech is not expecting any delays in getting financial closures. The Company continues to work on its diversification strategy with 33% of its pending orders coming from water and canal projects, and the remaining 67% from roads & highway sectors.

Financial Overview

PNC Infratech is one of the few companies in the infrastructure and construction space in India that has posted consistent operating and free cash flows (OCF & FCF) post-interest expenses over the period between FY 2013-14 and FY 2022-23. The Company has insignificant net interest expenses as a percentage of EBITDA, thus having significant distributable cash flow. The standalone



Six Laning of Chakeri Allahabad
Section of NH-2

revenue for FY 2022-23 stood at ₹ 7,060.84 Cr. The EBITDA for FY 2022-23 was ₹ 953.88 Cr and profit after tax for FY 2022-23 was ₹ 611.47 Cr. PNC Infratech's net worth as on March 31, 2023, on a standalone basis was ₹ 3,942 Cr, whereas the total debt is ₹ 450 Cr, including ₹ 137 Cr taken for financing the equipment. The Company had a cash of ₹ 293 Cr as on March 31, 2023. The net debt to equity on a standalone stood at 0.11x. The interest coverage ratio for FY 2022-23 was 13.83x, as compared to 8.88x for FY 2021-22. The current ratio, which indicates PNC Infratech's ability to pay short-term obligations, remained strong at 2.43x for FY 2022-23 as compared to 2.72x for 2021-22. During the year, CARE Ratings Limited has upgraded the Company's rating to AA+ (from AA) with a stable outlook for the long-term facilities and reaffirmed A1+ for the short-term bank facilities of the Company. The net working capital days was 87 days as on March 31, 2023.

On a consolidated basis, the revenue for FY 2022-23 stood at ₹ 7,956.08 Cr. In terms of segment contribution, the EPC segment contributed approximately 73%, whereas the toll segment contributed 15% and the water segment contributed 12% for FY 2022-23. The toll/annuity income for FY 2022-23 grew by 12.6% to ₹ 1,206 Cr as compared to ₹ 1,071 Cr for FY 2021-22. The consolidated EBITDA for FY 2022-23 was ₹ 1,600.05 Cr and the consolidated profit after tax for FY 2022-23 was ₹ 658.45 Cr whereas the consolidated profit after tax, minority interest and share in profit/loss of associate for FY 2022-23 was ₹ 658.45 Cr. The Company's net worth as on March 31, 2023 on a consolidated basis was ₹ 4,285 Cr, whereas the total debt is ₹ 6,271 Cr. The net debt to equity on a consolidated basis comes at 1.46x.

Risks & Mitigation

► Competition Risk

PNC Infratech competes with many national and a few international companies across the business segments. The competition may vary across segments, project sizes, types, and geographies. The competitive environment was more intense in FY 2022-23 due to multiple government initiatives. These initiatives include relaxed bidding criteria both in terms of financial and experiential aspects. Consequently, some bidders offered very low bid prices, affecting the Company's order inflow during FY 2022-23.

Mitigation

PNC Infratech has a strong track record of two and a half decades in construction, operation, and management with robust techno-financial credentials. The Company is primarily targeting larger projects with a ticket size of up to ₹ 5,000 Cr, where the competitive intensity is expected to be

lower. With a strong balance sheet and domain expertise, it is able to provide end-to-end services in terms of design, engineering, planning, management, and project execution to complete complex projects in a timely and cost-effective manner. PNC Infratech will continue to focus on completing the projects ahead of schedule to earn an early completion bonus, wherever possible, which would mitigate margin erosion if any of the mandates are secured amid stiff competition.

► Geographical Concentration Risk

PNC Infratech operates predominantly in North India, with the highest exposure in the state of Uttar Pradesh. The Company is exposed to risks on account of different regulatory and political changes, if any.

Mitigation

While PNC Infratech has high exposure in Northern India, it is constantly focusing on reducing the exposure by foraying into new states and territories. The Company has an excellent track record of working with multiple state governments. Moreover, it possesses a large fleet of construction plant & equipment, which enables the timely mobilisation of resources for multiple projects.

► Inflation Risk

The overall economy as a whole and the infrastructure industry have witnessed a persistent upward inflationary trajectory since the outbreak of the Covid-19 pandemic. The infrastructure industry faced an inflationary impact due to higher input costs, especially steel and cement. Apart from these two key items, structural steel, minor minerals, bitumen, road furniture, paints & admixtures, and electrical items are among PNC Infratech's other key consumption items. The continued higher inflationary environment in the long-term can impact the Company's profitability.

Mitigation

Addressing input cost volatility is very important for any infrastructure project. PNC Infratech's approach is to have complete control over diverse input costs through ownership and long-term contracts. The Company has a large number of its own stone aggregate mines & crushers, which is one of the primary cost contributors. Other key materials, such as cement and steel, are purchased from major and primary manufacturers with whom the Company has built a good business relationship over the years. This ensures competitive rates, high quality, and timely delivery. To minimise input cost pressure, PNC Infra's contracts with the government clients include cost-escalation provisions that safeguard its margins during project execution to a large extent.

▶ **IT Risk**

There has been a continuous rise in overall cyber attacks over the past few years. The overall IT systems are the backbone of project operations, and these systems work as a tool for various innovative solutions that are getting implemented for efficient execution of the projects. PNC Infratech can face potential cyber attacks, including ransomware and phishing attacks.

Mitigation

PNC Infratech continues to assess all the potential cyber threats and has implemented all the necessary safety measures, including latest antivirus software and firewall systems.

▶ **Liquidity/Cash Flow Risk**

This risk may cause the Company to not be able to meet its short- and long-term payment obligations on time.

Mitigation

PNC Infratech has always maintained a strong financial record with adequate reserves for payments and debt obligations. The Company maintains period budgeting, closely monitors project cashflows and debt requirements and keeps a close eye on all micro and macroeconomic events to make quick and accurate financial decisions.

Human Resource Management

PNC Infratech's overall employee strength was over 9,387 employees as of March 31, 2023. The Company continuously focuses on the skill development and enhancement of the team. It has home grown senior management with deep grassroots-level knowledge of engineering, procurement, project management, finance, accounts for execution, operation, and management. Moreover, PNC Infratech ensures that its personnel are driven to carry out their jobs with maximum accountability by providing moral support and financial incentives.

Internal Control Systems

PNC Infratech has adequate internal control systems that are commensurate with the size and nature of its business, ensuring that all assets are developed, constructed, and operated in a cost-effective manner. The systems also ensure that assets are safeguarded and protected from unauthorised use or disposal. Moreover, the internal control systems ensure that all transactions are properly authorised, recorded, and reported. The Company's internal audit department supplements the internal control system with well-documented policies, guidelines, and procedures, as well as reviews. Internal auditors conduct audits of various departments in accordance with the yearly audit plan and

report to the Management and the Audit Committee of the Board regularly. To determine the adequacy and efficacy of the internal control system and measures, the views of statutory auditors, ISO auditors, and external auditors/ management consulting firms are also considered. PNC Infratech's project locations are monitored by sophisticated closed-circuit television camera surveillance and processed by the SAP ERP system. The management monitors these measures on a regular basis to verify that they are getting updated for further improvements, if necessary.

Cautionary Statement

This section and the overall report, as well as other written and oral comments we make on a regular basis, contain forward-looking statements that outline expected outcomes based on management's plans and assumptions. Forward-looking statements are predictions of future events based on certain assumptions. Risks, uncertainties, and even assumptions all play a role in achieving such findings. The quality, reliability, and completeness of market data and information acquired from numerous published and unpublished reports and sources cannot be guaranteed. We do not promise to make any announcements or amend any development or forward-looking statements made by or on behalf of the Company if any of the economic scenarios, industry developments, or forward-looking statements become materially inaccurate in the future.



Six Laning of Chakeri Allahabad Section of NH-2

BOARDS' REPORT

Dear Members,

Your Directors are pleased to present the 24th Annual Report of **PNC Infratech Limited** ("the Company" or "PNCIL") along with the summary of the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2023.

1. RESULTS OF OUR OPERATIONS

The financial performance of the Company for the year ended March 31, 2023, on a Standalone and Consolidated basis, is summarized below:

₹ in lakhs (except EPS)

Particulars	Standalone Results For the year ended as at		Consolidated Results For the year ended as at	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue from Operations	7,06,083.99	6,30,550.34	7,95,608.29	7,20,803.56
Less: Total Expenses	6,28,075.65	5,72,831.26	7,07,925.01	6,48,907.93
Add/(Less): Share in profit/(loss) of Associates	--	--	--	--
Profit/(Loss) before tax & prior period expenses	81,835.72	63,142.67	95,746.16	80,794.26
Add/(less): Prior period expense (Net)/ Exceptional Item	--	--	--	(185.00)
Profit/(Loss) Before Tax	81,835.72	63,142.67	95,746.16	80,609.26
Less: Tax Expense (Net)	20,688.36	18,359.55	29,901.10	22,566.29
Profit / (Loss) After Tax	61,147.36	44,783.12	65,845.06	58,042.98
Earnings Per Share (Basic & Diluted)	23.84	17.46	25.67	22.63

2. FINANCIAL PERFORMANCE

On Standalone Basis

On a standalone basis, revenue of the Company for FY 2022-23 is ₹ 7,06,083.99 lakhs as compared to ₹ 6,30,550.34 lakhs in FY 2021-22. The Operating Profit (i.e. Earnings before Interest, Tax, Depreciation and Amortization) for FY 2022-23 is ₹ 9,53,88.26 lakhs as compared to ₹ 78,724.64 lakhs in FY 2021-22. The Profit before Tax for FY 2022-23 is ₹ 81,835.72 lakhs as compared to ₹ 63,142.67 lakhs in FY 2021-22. The Profit after Tax for FY 2022-23 is ₹ 61,147.36 lakhs as compared to ₹ 44,783.12 lakhs in FY 2021-22.

On Consolidated Basis

The Consolidated Revenue of the Company for FY 2022-23 is ₹ 7,95,608.29 lakhs as compared to ₹ 7,20,803.56

lakhs in FY 2021-22. The Consolidated Operating Profit (i.e. Earnings before Interest, Tax, Depreciation and Amortization) for FY 2022-23 is ₹ 1,60,004.82 lakhs as compared to ₹ 1,53,447.36 lakhs in FY 2021-22. The Consolidated Profit before Tax for FY 2022-23 is ₹ 95,746.16 lakhs as compared to ₹ 80,609.26 lakhs in FY 2021-22. The Consolidated Profit after Tax, Minority Interest and Share in Profit / Loss of Associate for FY 2022-23 is ₹ 65,845.06 lakhs as compared to ₹ 58,042.98 lakhs in FY 2021-22.

3. CHANGE IN NATURE OF BUSINESS

There was no change in the nature of the business during the financial year 2022-23.

4. STATE OF AFFAIRS & FUTURE OUTLOOK

During the year and up to the date of this Report, the Company has bid for and has been awarded LOA/become L1 for the following projects:

"Construction of 6-lane Greenfield Varanasi - Ranchi - Kolkata Highway from junction with Chandauli - Chainpur Road near Khainti village to junction with Bhabhua - Adhaura road near Palka village (from km 27+000 to km 54+000) under Bharatmala Pariyojana in the state of Bihar on Hybrid Annuity Mode (Package 2)" awarded to the Company vide Letter of Award dated March 31, 2023 by National Highways Authority of India.

For the execution of the said project new SPV has been incorporated namely **"VARANASI KOLKATA HIGHWAY PACKAGE 2 PRIVATE LIMITED"**

BOARDS' REPORT (Contd.)

"Construction of 6-lane Greenfield Varanasi - Ranchi - Kolkata Highway from junction with Bhabhua - Adhaura Road in Bhairopur village to Konki village (from km 54+000 to km 90+000, PKG-3, Total length= 36Km) under Bharatmala Pariyojana in the state of Bihar on Hybrid Annuity Mode (Package 3)" awarded to the Company vide Letter of Award dated March 31, 2023 by National Highways Authority of India.

For the execution of the said project new SPV has been incorporated namely **"VARANASI KOLKATA HIGHWAY PACKAGE 3 PRIVATE LIMITED"**

"Construction of 6-lane Greenfield Varanasi-Ranchi-Kolkata Highway from Pachmon village to Anarbansalea village (from km 116+000 to km 151+200; , Pkg-6, Total Length = 35.2 Km), under Bharatmala Pariyojana in the state of Bihar on Hybrid Annuity Mode (Package 6) " awarded to the Company vide Letter of Award dated March 31, 2023 by National Highways Authority of India.

For the execution of the said project new SPV has been incorporated namely **"VARANASI KOLKATA HIGHWAY PACKAGE 6 PRIVATE LIMITED"**

"Design and Construction of Civil Works (Earthwork, Bridges, Station Buildings, Retaining Walls and other miscellaneous Works) from km 29.68 to 49.70 and from km 55.60 to 61.50 and its connectivity to Indian Railways network from New Patli to Patli Station & New Patli to Sultanpur Station incldg. modifications/ civil works at Sultanpur Station in connection with laying of New BG Double Railway Line of HORC Project, in Haryana."

In respect of the aforesaid project the Company has received Notification of Intention to Award from Haryana Rail Infrastructure Development Corporation Limited (Authority) dated March 20, 2023 and a Letter of Acceptance from the Authority on April 06, 2023.

"Construction of 4-lane highway from Km 49.155 to Km 74.700 (Singraur Uphar to Baranpur Kadipur Ichauli) of NH-731A with paved shoulders (i/c Ganga Bridge) in the state of Uttar Pradesh on Hybrid Annuity Mode (Package-III)".

In respect of the aforesaid project the Company has received a Letter of Acceptance from the Ministry of Road Transport & Highways (MORT&H) on April 21, 2023.

For the execution of the said project new SPV has been incorporated namely **"PRAYAGRAJ KAUSHAMBI HIGHWAY PACKAGE 3 PRIVATE LIMITED"**

The Company is presently executing the following major projects:

A: Highways & Expressways

SN.	Sector	Name of Project
1	National Highways	Construction of NH-56, 4-lane bypass connecting NH-56 at Km. 17+400 and terminating near Behta Village Road (from km. 0.000 to 32.000/31.489) in the state of Uttar Pradesh under NHDP Phase-VII on EPC mode (Lucknow Ring Road - Package-I).
2	National Highways	Four laning from Km.358.500 to Km.414.205, Challakere to Hariyur section of NH-150A, on Hybrid Annuity Mode under Bharatmala Pariyojna in the State of Karnataka.
3	National Highways	Four laning of Aligarh-Kanpur section from Km 356.000 (Design chainage 373.085) to Km 414.000(Design chainage 433.728) (Package-V) from Mitrasen-Kanpur) of NH-91 in the State of Uttar Pradesh on Hybrid Annuity mode under Bharatmala Pariyojana
4	National Highways	Rehabilitation & Upgradation from 2 lane to 4 lane of NH stretch under Bharatmala Pariyojana for Unnao-Lalganj section of new NH-31 (old NH-232A) on Hybrid Annuity Mode in the state of Uttar Pradesh & Design Chainage Km 0.000 to 70.000
5	National Highways	Four laning of Jagdishpur-Faizabad Section from 47.800 to 108.020) of NH-330A in the State of Uttar Pradesh on Hybrid Annuity Mode
6	National Highways	Four laning of Meerut-Nazibabad section from Km 11.500 to Km 39.240 & from Km 86.590 to Km 112.545 of NH 119 (New NH-34) in the state of Uttar Pradesh under Bharatmala Pariyojana on HAM.
7	National Highways	Construction of 8 Lane access-controlled expressway starting from Junction with NH-47 near Bhamaiya village & ending at Junction with SH-175 in Baletiya village in Panchmahal Dt. (design Ch. 328+500 to 351+000) section of Delhi-Vadodara Greenfield Alignment (NH-148N) on EPC Mode under Bharatmala Pariyojana in the State of Gujarat Pkg-29

BOARDS' REPORT (Contd.)

SN.	Sector	Name of Project
8	National Highways	Construction of 8 Lane access-controlled expressway starting from Junction with SH-63 near Pratap Nagar village & ending at junction with NE-1 near Dodka village of Vadodara Dt. (Design Ch. 372+500 to 391+962) section of Delhi-Vadodara Greenfield Alignment (NH-148N) on EPC Mode under Bharatmala Pariyojana in the State of Gujarat Pkg-31
9	National Highways	Construction of Six lane upgradable to Eight lane of Kanpur Lucknow Expressway including spur from km. 10.980 to km. 28.500 in the state of Uttar Pradesh on Hybrid Annuity Mode under Bharatmala Pariyojana (Package- 1).
10	National Highways	Construction of Six lane upgradable to Eight lane of Kanpur Lucknow Expressway including spur from km. 28.500 to km. 73.744 in the state of Uttar Pradesh on Hybrid Annuity Mode under Bharatmala Pariyojana (Package- 2).
11	National Highways	Improvement and Up-gradation of Existing Road to 4-lane with Paved Shoulder from Km 175.080 to 229.070, End of Hardoi Bypass to End of Hardoi District of NH-731 (Pkg-III) on Hybrid Annuity Mode under NH(O) in the state of Uttar Pradesh.
12	National Highways	Four Laning of Sonauli – Gorakhpur section of NH-29E from Design Ch.0+000 to Design Ch.79+540 (from Existing Ch.0+000 to Existing Ch.80+295) on Hybrid Annuity Mode basis in the state of Uttar Pradesh.
13	National Highways	Construction of 6 Lane with Access Controlled Greenfield Highway from km. 26.000 to km 97.000, MH/KN Border (Badadal) to Maradgi S Andola section of NH-150C (Package- II of Akkalkot to KN/TS Border section) on Hybrid Annuity Mode under Bharatmala Pariyojna.
14	National Highways	Four Laning of NH 530B from Mathura Bypass (Start) (Existing km.266.000 of SH 33 / Design Km.0.000) to Gaju Village (End) (Design Km.32.982) (Design Length= 32.982 km) in the State of Uttar Pradesh on Hybrid Annuity Mode (Package - 1B).
15	National Highways	Four Laning of NH 530B from Gaju Village (Design km 32.982 Mathura-Aligarh District Boundary) to Devinagar Bypass (Existing Km.208.000 of SH 33(NH-530B)-(Design Km.66.000) (Design Length 33.018 km) in Uttar Pradesh on Hybrid Annuity Mode (Package - 1C).

B: Irrigation & Rural Drinking Water Supply Projects

SN.	Sector	Name of the Project
16	Irrigation	Upgradation of Canal System from Pothireddypadu Head Regulator, from foreshore of Srisailam Reservoir & improvements to existing SRBC/GNSS Canal
17	Drinking Water Supply Phase I	Construction of Haraulipur Group of Villages Surface & Ground Water Schemes in Hamirpur district incl. Commissioning and Operation & Maintenance for 10 Years.
18	Drinking Water Supply Phase II	Survey, Design, Preparation of DPR, Construction, Commissioning and O&M for 10 Years of various Rural Water Supply Projects in the State of Uttar Pradesh as per Request for Proposals in Division " Devipatan " (District-Bahraich), in Division " Bareilly " (Districts Budaun & Philibhit) and in Division- " Aligarh " (District- Kasganj) in UP under Phase-II.
19	Drinking Water Supply Phase III	Survey, Design, Preparation of DPR, Construction, Commissioning and O&M for 10 Years of various Rural Water Supply Projects in the State of Uttar Pradesh as per Request for Proposal in Division- " Bareilly " (District Budaun); in Division " Ayodhya " (District- Barabanki) and in Division " Aligarh " (District - Aligarh) under Phase-III .

5. DIVIDEND

Keeping in the view of the Company's performance, the Board of Directors have recommend Final Dividend of 25% i.e ₹ 0.50 per equity shares of ₹ 2/- (Two) each on, 25, 65, 39,165 no. of equity shares, amounting of ₹ 1,282.70 lakhs for the financial Year 2022-23.

Pursuant to the Finance Act, 2020, dividend is taxable in the hands of the shareholders with effective from April 01, 2020 and tax has been deducted at source on the

Dividend at prevailing tax rates inclusive of applicable surcharge and cess based on information received by the Registrar and Transfer Agent ("RTA") and the Company from the Depositories.

6. TRANSFER TO RESERVES

The Board of Directors of the Company has not recommended for transfer of any amount to the General Reserve for the Financial Year ended March 31, 2023.

BOARDS' REPORT (Contd.)

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has one (1) direct subsidiary and twenty- four (24) step-down subsidiaries as on March 31, 2023. There are no associates or joint ventures of the Company. In accordance with Sec 129(3) of the Companies Act, 2013 (Act), a statement containing the salient features of the financial statement of the subsidiary Companies in the prescribed format AOC-1 forms part of consolidated financial statement.

During the period under review, the Company has concluded the divestment process of Ghaziabad Aligarh Project on May 26, 2022 and the asset handed over to Cube Highways and Infrastructure Pte Limited ("Cube Highways"), hence **Ghaziabad Aligarh expressway Private Limited (GAEPL)** ceased to be its Associate Company.

During the period under review, the Company has executed a Share Purchase Agreement dated February 28, 2023 and other related transaction documents, with BF Infrastructure Limited (BFIL), for sale of its entire shareholding in **Ferrovial Transrail Solutions Private Limited (FTSPL)** and the said sale has been completed on March 02, 2023, hence FTSPL ceased to be its subsidiary Company.

The Company has a material unlisted Subsidiary as defined under Regulation 16 of the SEBI Listing Regulations. Accordingly, the corporate governance requirements as applicable with respect to material unlisted subsidiary has been complied with.

The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries. The Minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company, as applicable, are placed before the Board of Directors of the Company.

The Company has formulated a policy for determining Material Subsidiaries and the Policy is disclosed on the Company's website at the web link: <https://www.pncinfrotech.com/pdfs/policy-for-determining-material-subsi-diar-ies-2022.pdf>

8. MATERIAL CHANGE AFFECTING THE FINANCIAL POSITION OF THE COMPANY

Following step-down wholly owned subsidiaries has been incorporated after the closure of the financial year 2022-23 as under:

- a) VARANASI KOLKATA HIGHWAY PACKAGE 2 PRIVATE LIMITED

- b) VARANASI KOLKATA HIGHWAY PACKAGE 3 PRIVATE LIMITED
- c) VARANASI KOLKATA HIGHWAY PACKAGE 6 PRIVATE LIMITED
- d) PRAYAGRAJ KAUSHAMBI HIGHWAY PACKAGE 3 PRIVATE LIMITED

All the aforesaid companies have been incorporated as wholly owned subsidiary of PNC INFRA HOLDINGS LIMITED which is itself a wholly owned subsidiary of PNC Infratech Limited.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, Your Directors' confirm that:

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

10. CORPORATE GOVERNANCE

The Company continues to place greater emphasis on managing its affairs with diligence, transparency, responsibility and accountability and is committed to adopting and adhering to best Corporate Governance practices.

BOARDS' REPORT (Contd.)

The Board considers itself as a trustee of its shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. The Company has set itself the objective of expanding its capacities. As a part of its growth strategy, it is committed to high levels of ethics and integrity in all its business dealings that avoid conflicts of interest. In order to conduct business with these principles, the Company has created a corporate structure based on business needs and maintains a high degree of transparency through regular disclosures with a focus on adequate control systems.

In compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') a separate report on corporate governance along with a certificate from the M/s DR Associates, Company Secretaries, on its compliance, forms an integral part of this report .

11. RISK MANAGEMENT

The Company has constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in (a) approving the Company's Risk Management Framework and (b) Overseeing all the risks that the organization faces such as strategic, financial, liquidity, security, regulatory, legal, reputational and other risks that have been identified and assessed to ensure that there is a sound Risk Management Policy in place to address such concerns / risks. The Risk Management process covers risk identification, assessment, analysis and mitigation. Incorporating sustainability in the process also helps to align potential exposures with the risk appetite and highlight risks associated with chosen strategies.

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the SEBI Listing Regulations.

12. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2022-23, the Company has entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with the Companies (Specification of Definitions Details) Rules, 2014, which were in the ordinary course of business and on arm's length basis and in accordance with the provisions of the Companies Act, 2013, rules issued there under and in compliance of the **"Policy On Materiality And Dealing With Related Party Transactions"** of the Company and in accordance with Regulation 23 of the SEBI Listing Regulations.

During the financial year 2022-23, the Company did not enter into materially significant transactions with Promoters, Key Managerial Personnel or other related parties. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable. The details of the related party transactions as required under IND AS- 24 are set out in Notes to the standalone financial statements forming part of this Annual Report.

The policy on Related Party Transactions as approved by the Board may be accessed on the Company's website at the link: <https://www.pncinftratech.com/pdfs/policy-on-materiality-and-dealing-with-relatedparty-transactions-pnc.pdf>

13. CORPORATE SOCIAL RESPONSIBILITY (CSR)

As part of the Corporate Social Responsibility initiative, the Company has spent an amount of ₹ 1,276.63 lakhs towards the various CSR activities during the financial year 2022-23. A report on CSR Activities as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014, as amended is enclosed herewith as **"Annexure-A"**.

The Company has adopted Corporate Social Responsibility Policy in line with Schedule-VII of Companies Act 2013 and amendment thereof, containing the activities to be undertaken by the Company as part of its CSR programs. The CSR Policy is disclosed on the website of the Company which can be accessed at <https://www.pncinftratech.com/pdfs/csr-policy-2022.pdf>.

14. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion and Analysis.

15. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION

The Policy is framed to address the importance of a diverse Board in harnessing the unique and individual skills and experiences of various Members of the Board in such a way that it collectively benefits the business and the Company as whole. As on March 31, 2023, the Board consists of ten directors, five of whom are executive directors and five non-executive directors.

The Board Diversity Policy of the Company on director's appointment and other matters provided under sub section 3 of section 178 of the Companies Act, 2013 is

BOARDS' REPORT (Contd.)

available at the website of the Company and that can be accessed at <https://www.pncinftratech.com/pdfs/board-diversity-policy.pdf>.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Chakresh Kumar Jain (DIN: 00086768) and Mr. Talluri Raghupati Rao (DIN: 01207205), Directors retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The Board recommends the reappointment of Mr. Chakresh Kumar Jain and Mr. Talluri Raghupati Rao for the consideration of the members of the Company at the ensuing annual general meeting.

Pursuant to the provisions of section 203 of the Companies Act, 2013 the Key Managerial Personnel of the Company as on March 31, 2023 are:-

1. Mr. Pradeep Kumar Jain, Chairman & Managing Director
2. Mr. Chakresh Kumar Jain, Managing Director
3. Mr. Yogesh Kumar Jain, Managing Director
4. Mr. Anil Kumar Rao, Whole time Director
5. Mr. Talluri Raghupati Rao, Whole time Director
6. Mr. Bhupinder Kumar Sawhney, Chief Financial Officer
7. Mr. Tapan Jain, Company Secretary

None of the Directors of the Company is disqualified under Section 164 of the Companies Act, 2013.

Also, during the year, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any.

After the closure of the financial year 2022-23, Mr. Bhupinder Kumar Sawhney resigned from the post of Chief Financial Officer of the Company w.e.f. May, 31, 2023.

17. DECLARATION BY INDEPENDENT DIRECTORS

In accordance with the Section 149(7) of the Act, each Independent Director has given a written declaration to the Company at the time of their appointment and at the first meeting of the Board of Directors in every financial year confirming that he/she meets the criteria of independence as mentioned under Section 149(6) of

the Companies Act, 2013 and Regulation 16(1) (b) and Regulation 26 of the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as an independent director during the year. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013 along with code of conduct for all members of board in terms of Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, in the opinion of the Board, all the Independent Directors also possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8(5) (iii) (a) of the Companies (Accounts) Rules, 2014.

Pursuant to Ministry of Corporate Affairs' Notification No.G.S.R. 804(E) dated October 22, 2019, all the Independent Directors have registered themselves in the databank of Indian Institute of Corporate Affairs (IICA).

18. BOARD EVALUATION AND REMUNERATION POLICY

Pursuant to the applicable provisions of the Act and the SEBI Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees, based on the evaluation criteria defined by Nomination and Remuneration Policy for performance evaluation process of the Board, its Committees and Directors. NRC Policy of the Company is available on Company's website at link <https://www.pncinftratech.com/pdfs/nrc-policy-2023.pdf>.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as the composition of committees, effectiveness of Committee meetings, etc.

The performance assessment of Non-Independent Directors, Board as a whole and the Chairman were evaluated at separate meetings of Independent Directors. The same was also discussed in the meetings of NRC and the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

BOARDS' REPORT (Contd.)

19. FAMILIARIZATION PROGRAM FOR BOARD MEMBERS

A formal familiarization program was conducted about the amendments in the Companies Act, 2013; Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company. It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted.

The Company familiarizes its Independent Directors with their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, etc., through various programs. These include orientation program upon induction of new Director, as well as other initiatives to update the Directors on an ongoing basis.

Further, the Company also makes periodic presentations at the Board and Committee meetings on various aspects of the Company's operations including on Health and Safety, Sustainability, Performance updates of the Company, Industry scenario, Business Strategy, Internal Control and risks involved and Mitigation Plan.

20. HUMAN RESOURCES

The Company treats its "Human Resources" as one of its most important assets. The Company continuously invests in attraction, retention and development of talent on an ongoing basis. The Company believes in the promotion of talent internally through job rotation and job enlargement.

21. SHARE CAPITAL

During the year under review, the Company has not issued or allotted any equity shares with or without differential voting rights. The Paid – up Equity Share Capital of the Company as at March 31, 2023 stood at ₹ 51,30,78,330/-

22. AUDITORS AND AUDITORS' REPORT

Statutory Auditors

At the 22nd Annual General Meeting held on September 29, 2021, the shareholders approved the appointment of M/s NSBP & Co. (Firm Registration No. 001075N) Chartered Accountants, as Statutory Auditors of the Company until the conclusion of 27th Annual General Meeting of the Company to be held in the year 2026.

Auditor's Report

The Auditors' have issued an unmodified Report for the year ended March 31, 2023 which is self explanatory

hence, do not call for any comments from the Management under Section 134 of the Companies Act, 2013.

Cost Auditors

The Board had appointed M/s. R K G & Associates, Cost Accountants, as Cost Auditors for conducting the audit of Cost Statements and Cost Records of the Company for the financial year 2022-23 and Form CRA-2 for their appointment was duly filed by the Company with the Ministry of Corporate Affairs. The said Auditors have conducted the audit of Cost Statements and Cost records for the year ended March 31, 2023 and have submitted their report, which is self explanatory and do not call for any further comments.

The Company shall submit the Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

The Board further appointed M/s. Rohit Bansal & Associates, Cost Accountants, as Cost Auditors to conduct Cost Audit for the financial year 2023-24 and their remuneration have also been recommended for the ratification and approval of the Shareholders.

Secretarial Auditors

In terms of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. DR Associates, Company Secretaries were appointed as Secretarial Auditors for the financial year 2022-23. The Secretarial Audit Report for the financial year ended on March 31, 2023 is annexed herewith marked as "Annexure-B" to this Report. There are no qualifications or adverse remark in their Report, hence, does not call for any comments/explanation from the Management.

The Board further re- appointed M/s. DR Associates, Company Secretaries, as Secretarial Auditors to conduct Secretarial Audit for the financial year 2023-24.

The Secretarial Audit Report of Material Unlisted Subsidiaries has been reviewed and there are no qualifications or adverse remark in their Report that forms an integral part of this report.

23. MANAGEMENT DISCUSSION & ANALYSIS

In terms of the provisions of Regulation 34 of SEBI Listing Regulations, the Management Discussion and Analysis forms an integral part of this Report and gives details of the overall industry structure, developments, performance and state of affairs of the Company's business.

BOARDS' REPORT (Contd.)

24. DISCLOSURES

Audit Committee

The Audit Committee of the Board of Directors of the Company is duly constituted in accordance with the provisions of Sections 177 of the Act read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2013 and Regulation 18 of SEBI Listing Regulations 2015. The details pertaining to the composition of the Audit Committee are included in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism

The Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Whistle Blower Policy in compliance with the provisions of Section 177 (9) & (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations. The policy provides for a framework and process whereby concerns can be raised by its Employees/Directors or any other person against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them through an e-mail, or a letter for this purpose to the Vigilance Officer /Chairman of the Audit Committee.

The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the web link: <https://www.pncinfotech.com/pdfs/vigil-mechanism-whistle-blower-policy-pnc-infotech-limited.pdf>.

Meetings of the Board

Five meetings of the Board were held during the year. For details of meetings of the Board, Please refer to the Corporate Governance Report. The maximum interval between any two meetings did not exceed 120 days.

Particulars of Loans given, Investments made, Guarantees given and securities provided

The Company is exempted from the applicability of the provisions of Section 186 of the Companies Act, 2013 (Act) read with Rule 11 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Companies (Meetings of Board and its Powers) Amendment Rules, 2015 as the Company is engaged in the business of providing infrastructural facilities.

Details of the Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013,

if any, are given in the notes to the financial statements pertaining to the year under review.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in "Annexure-C" to this Report.

Extract of Annual Return

As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the copy of the Annual Return for FY 2022-23 is uploaded on the website of the Company www.pncinfotech.com.

Particulars of Employees and Related Disclosures

The information required pursuant to the provisions of Section 197 (12) read with Rule 5 (1) & (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as "Annexure-D".

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Board's report. However, as per Section 136(1) of the Act and second proviso of Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Report and Financial Statements are being sent to the Members of the Company excluding the said statement. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company.

Business Responsibility & Sustainability Report (BRSR)

SEBI Listing Regulations mandate the inclusion of BRSR from FY 2022-23 onwards as part of the Annual Report for top 1000 listed entities based on market capitalization calculated as on March 31 of every financial year. In compliance of SEBI listing Regulations, the Company has prepared the Business Responsibility and Sustainability Reporting (BRSR) for the financial year 2022-23 is herewith annexed as "Annexure-E".

Dividend Distribution Policy

SEBI Listing Regulations also mandates for top 1000 listed entities based on market capitalization calculated

BOARDS' REPORT (Contd.)

as on March 31 of every financial year to formulate a dividend distribution policy ('the policy'). In Compliance of the same, the policy determining the distribution parameters of dividend to its shareholders was adopted by the Board in their meeting held on December 07, 2016. The Policy is available on the Company's website at <https://www.pncinfratech.com/pdfs/dividend-distribution-policy.pdf>.

Investor Education and Protection Fund (IEPF)

Pursuant to applicable provisions of the Act read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, details of all unclaimed amount of Dividend to be furnished through Form No. IEPF 2 each year and to be uploaded on Company's Website, on the website of IEPF Authority. The amount of Dividend or any other such amount as referred in sub-section 2 of section 125 of the Act, which is unpaid or unclaimed for the financial year under review is mentioned in the Corporate Governance Report of the Company.

In terms of Rule 7(2B) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016) the Company has designated Mr. Tapan Jain, Company Secretary and Compliance Officer, as a Nodal Officer. These details are also available on website of the Company i.e. www.pncinfratech.com.

Cost Records

In terms of Rule 8(5) of Companies (Accounts) Rules, 2014, the Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 read with rule 3 of Companies (cost records and audit) Rules, 2014 and accordingly such accounts and records are made and maintained by the Company.

Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace

The Company has complied with the provisions relating to the constitution of Internal Complaint Committee and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (India) and the Rules there under.

During the financial year ended March 31, 2023, the Company has not received any complaint pertaining to sexual harassment.

25. SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

There is neither any regulatory action initiated nor pending under Company law or any other statutory act during FY 2022-23.

26. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Company has complied with Secretarial Standards issued by the institute of Company Secretaries of India on meeting of Board of Directors and General Meetings.

27. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these matters during the year under review:

- i. Details relating to deposits covered under Chapter V of the Act;
- ii. Voluntary revision of Financial Statements or Board's Report;
- iii. Issue of equity shares with differential rights as to dividend, voting or otherwise;
- iv. Managing Directors and Whole time Director received Commission from the Company within a regulatory limits of the Company Act, 2013 but Neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from any of its subsidiaries;
- v. There was no instance of reporting of fraud by auditors to the Audit Committee or the Board;
- vi. There was no instance of any Employee Stock Options, Equity Share with differential voting rights as to dividend, voting or otherwise.;
- vii. There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016;
- viii. There was no instance of onetime settlement with any Bank or Financial Institution.
- ix. The Company is not in receipt of any loan amount from any Director of the Company.

BOARDS' REPORT (Contd.)

28. ACKNOWLEDGEMENT

Your Directors take this opportunity to thank the stakeholders, banks and financial institutions, clients, vendors, Intermediaries associated with the Company. Your Directors also place on records their appreciation for the contribution made by employees at all levels.

Your Directors gratefully acknowledge the ongoing co-operation and support from various regulatory bodies, NHAI, MPRDC, UPSHA, HSRDC, MES, DSIIDC, UPEIDA, MORTH, UP PWD, UP SWSM, AP Government, Ministry of Corporate Affairs, BSE Limited, National Stock Exchange of India Limited, Securities and Exchange

Board of India and other Central and State Government agencies.

For and on behalf of the Board of Directors of

PNC Infratech Limited

Sd/-

Chakresh Kumar Jain

(Managing Director)

DIN:-00086768

Place: Agra

Date: May 26, 2023

Sd/-

Yogesh Kumar Jain

(Managing Director)

DIN:-00086811

ANNEXURE A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline on CSR Policy of the Company are as follows:

- Promoting Healthcare, Eradicating Hunger, Poverty and Malnutrition, and making available safe drinking water.
- Promoting education among children and women.
- Promoting Art & Culture
- Animal Welfare & Agro Forestry.
- Empowering Women.
- Rural Development.
- Sports and Culture
- Disaster Management
- Ensuing Environmental Sustainability, ecological balance

The CSR activities are aligned to the specified activities in Schedule VII of the Companies Act, 2013. The above may be modified from time to time, as per recommendations of the CSR Committee/approval of Board of the Company.

2. The Composition of the CSR Committee :

S. No.	Name of the Member	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Chakresh Kumar Jain	Chairman (Managing Director)	01	01
2	Mr. Anil Kumar Rao	Member (Whole-time Director)	01	01
3	Mr. Ashok Kumar Gupta	Member (Independent Non Executive Director)	01	01

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: i.e. www.pncinfratech.com
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): **Not Applicable**
- Average net profit of the Company as per section 135(5): ₹ **63,612.43 lakhs**
 - Two percent of average net profit of the Company as per section 135(5): ₹ **1,272.25 lakhs**
 - Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any: **Nil**
 - Amount required to be set off for the financial year, if any: **Nil**
 - Total CSR obligation for the financial year [(b) + (C) – (d)]: ₹ **1,272.25 lakhs**
- Amount spent on CSR Projects (both ongoing project and other than ongoing project): **Nil**
 - Amount Spent in Administrative overhead: ₹ **12.50 lakhs**
 - Amount spent on Impact Assessment, if applicable: **Not Applicable**
 - Total amount spent for the financial year [(a) + (b) + (C)]: ₹ **12.50 lakhs**
 - CSR amount spent or unspent for the financial year: **Nil**

Total Amount Spent for the Financial Year (in lakhs)	Amount Unspent (in lakhs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 1,272.24 lakhs	NA	NA	NA	NA	NA

Annexure A (Contd.)

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

S. No	Particular	Amount (in lakhs.)
i	Two percent of average net profit of the Company as per section 135(5)	1,272.249
ii	Total amount spent for the Financial Year	1,276.63
iii	Excess amount spent for the financial year [(ii)-(i)]	4.381
iv	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	--
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	--

7. Details of Unspent CSR amount for the preceding three financial years, if any: **NA**
8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year: **No**
9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): **NA**

For & on behalf of Corporate Social Responsibility Committee of PNC Infratech Limited

Sd/-

Chakresh Kumar Jain
Chairman of Committee
(Managing Director)
DIN: 00086768

Sd/-

Ashok Kumar Gupta
Member of Committee
(Independent Director)
DIN: 02808356

Place: Agra

Date: May 26, 2023

Annexure A (Contd.)

Annexure
Details of CSR Amount Spent

Amount in ₹

Sr. No.	CSR project/activity identified	Item from the list of activities in Schedule VII the Act	Amount Spent for CSR Project/Activity Identified	Mode of Implementation	Mode of Implementing through implementing Agency	
					Name	CSR Registration
1.	Promoting Healthcare, Poverty and Malnutrition, Eradicating Hunger and making available safe drinking water	Clause I	2,70,86,000.00	Direct	-	-
2.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	Clause II	9,66,85,074.00	Direct	-	-
3.	Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Clause III	54,000.00	Direct	-	-
4.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water	Clause IV	82,000.00	Direct	-	-
5.	Promoting Art & Culture	Clause V	7,00,000.00	Direct	-	-
6.	Training to promote rural sports, nationally recognized sports, paralympic sports and olympic sports	Clause VII	21,000.00	Direct	-	-
7.	Disaster management, including relief, rehabilitation and reconstruction activities	Clause XII	17,84,820.00	Direct	-	-
8.	Administrative Expenses		12,50,000.00			
		Total	12,76,62,894.00			

For & on behalf of Corporate Social Responsibility Committee of PNC Infratech Limited

Place: Agra
Date: May 26, 2023

Sd/-
Chakresh Kumar Jain
Chairman of Committee
(Managing Director)
DIN: 00086768

Sd/-
Ashok Kumar Gupta
Member of Committee
(Independent Director)
DIN: 02808356

ANNEXURE B

FORM NO. MR-3

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

SECRETARIAL AUDIT REPORT

For The Financial Year Ended March 31, 2023

The Members,

PNC Infratech Limited

NBCC Plaza, Tower II, 4th Floor, Pushp Vihar,
Sector V, Saket, New Delhi- 110 017

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by PNC Infratech Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, statutory registers, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board Processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

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

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

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

Annexure B (Contd.)

1. Legal Proceedings against the Company

There are instances of legal cases filed against the Company under the various laws applicable to the Company. These cases are filed before various courts of the Country under various statutes. However, as explained by the management the legal proceedings against the Company is not of material or significant nature which impacts the going concern status and Company's operations in future;

We report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
2. Adequate notices are given to all directors to schedule the Board Meeting, for the Board Meetings and accordingly, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful Participation at the meeting.
3. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, Rules, Regulations and Guidelines.

For **DR Associates**
Company Secretaries
Firm Regn. No.: P2007DE003300
Peer Review Certificate No.: 609/2019

Place: New Delhi
Date: May 19, 2023

Sd/-
Suchitta Koley
Partner
FCS 1647; CP No.: 714
UDIN: F001647E00033 5475

Note: This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

To,
The Members

PNC Infratech Limited

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

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

Place: New Delhi
Date: May 19, 2023

For **DR Associates**
Company Secretaries
Firm Regn. No.: P2007DE003300
Peer Review Certificate No.: 609/2019

Sd/-
Suchitta Koley
Partner
FCS 1647; CP No.: 714
UDIN: F001647E00033 5475

ANNEXURE B1

FORM NO. MR-3

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

SECRETARIAL AUDIT REPORT For The Financial Year Ended March 31, 2023

The Members,

PNC Infra Holdings Limited

Cabin No.5, NBCC Plaza, Tower II, 4th Floor, Pushp Vihar,
Sector V, Saket, New Delhi- 110 017

I have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by PNC Infra Holdings Limited

(hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, statutory registers, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board Processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable as there was no reportable event during the audit period under review)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company during the financial year under review);
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the financial year under review);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the financial year under review);
- (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the financial year under review);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable to the Company during the financial year under review);
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the financial year under review);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable to the Company during the financial year under review);
- (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; (to the extent applicable as a Material Subsidiary) and
- (vi) other laws as are specifically applicable to the Company.

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

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

Annexure B1 (Contd.)

I report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director, Woman Director and Independent Director.
2. Adequate notices are given to all directors to schedule the Board Meeting, for the Board Meetings and accordingly, agenda and detailed notes on agenda were sent, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful Participation at the meeting.
3. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that during the audit period, the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.:

- a) The Board of Directors vide board meetings dated May 27, 2022; June 30, 2022; November 12, 2022; February 11, 2023; March 11, 2023 and March 25, 2023

had allotted 360000, 11644000, 8160000, 5808000, 5612000 and 1122000 equity shares respectively of ₹ 10 each at ₹ 50/- per share (Including Premium of ₹ 40/-per share) as per the provisions of the Companies Act, 2013.

- b) The Company has increased its authorized Share Capital in the Annual General Meeting duly held on September 28, 2022 from ₹ 205,00,00,000 (Rupees Two Hundred and Five Cr only) divided into 20,50,00,000 (Twenty Cr Fifty lakhs) Equity Shares of ₹ 10/- each to ₹ 260,00,00,000 (Rupees Two Hundred and Sixty Cr only) divided into 260000000 (Twenty Six Cr) Equity Shares of ₹ 10/- by creation of additional 550000000 Equity Shares of ₹ 10/- each.,

For **Akash Jain**
Company Secretaries
Peer Review Certificate No.: 838/2020

Place: Agra
Date: May 24, 2023

Sd/-
Akash Jain
Proprietor
FCS No.: 9617; CP No.: 9432
UDIN: F009617E000344413

Note: This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

To,
The Members

PNC Infra Holdings Limited

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

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

For **Akash Jain**

Company Secretaries

Peer Review Certificate No.: 838/2020

Place: Agra

Date: May 24, 2023

Sd/-

Akash Jain

Proprietor

FCS No.: 9617; CP No.: 9432

UDIN: F009617E000344413

ANNEXURE-C TO THE DIRECTORS' REPORT:

Information under Section 134(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2023

Details of conservation of energy, technology absorption, foreign exchange earnings and outgo

(a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	The Company is taking all necessary measures for conservation of energy and creating awareness amongst the employees on the necessity of conservation of energy is practiced regularly.
(ii)	the steps taken by the Company for utilizing alternate sources of energy	NIL
(iii)	the capital investment on energy conservation equipments	The Company is involved in construction of highways and airport runways, hence no major impact on the cost of production/ construction.

(b) Technology absorption

(i)	the efforts made towards technology absorption	The Company develops in-house technology and is not dependent on any outside technology/source.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	<ul style="list-style-type: none"> • Improvements in quality, • Reduction in cost • Development of Product
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not Applicable
(a)	the details of technology imported	
(b)	the year of import;	
(c)	whether the technology been fully absorbed	
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	

(c) Foreign exchange earnings and Outgo

- (i) Foreign Exchange earnings : NIL
(ii) Foreign Exchange expenditure : NIL

ANNEXURE D: PARTICULARS OF EMPLOYEE

a) Information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Remuneration paid to Executive Directors and Key Managerial Personnel

S. No.	Name of the Employee	Designation/Nature of Duties	Remuneration for FY 2022-23 (₹ in lakhs)	% increase in remuneration in FY 2022-23	Ratio of Remuneration of each Director to median remuneration of employees
1	Mr. Pradeep Kumar Jain	Chairman and Managing Director	343.20	9.94	139.43
2	Mr. Chakresh Kumar Jain	Managing Director	310.20	9.93	126.02
3	Mr. Yogesh Kumar Jain	Managing Director	310.20	9.93	126.02
4	Mr. Anil Kumar Rao	Whole-time Director	104.06	9.94	42.28
5	Mr. Talluri RaghupatiRao	Whole-time Director	89.18	10.00	36.25
6	Mr. Bhupinder Kumar Sawhney	Chief Financial Officer	75.52	0.00	30.54
7	Mr. Tapan Jain	Company Secretary	24.07	0.00	10.19

b) Percentage increase in the median remuneration of employees in the Financial Year.

Percentage increase in the median remuneration of employees other than managerial personnel in the financial year is 7.89%.

c) The number of permanent employees on the rolls of company.

The Company has 8,320 permanent employees as on March 31, 2023.

d) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase in the salaries of employees other than the managerial personnel was 1.63%. There was no exceptional increase in the managerial remuneration.

Notes -

- The nature of employment is contractual;
- None of the employee holds 2% or more of the paid up equity share capital of the Company as per clause (iii) of sub rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- No employee of the Company is posted or working in a country outside India;
- No employee other than directors of the Company was in receipt of remuneration of 102 lakhs rupees or more p.a. or 8.5 lakhs p.m. for financial year 2022-23.

The Company affirms that the remuneration is paid as per the remuneration policy of the Company.

For and on behalf of the Board of Directors of PNC Infratech Limited

Sd/-

Chakresh Kumar Jain

(Managing Director)

DIN:-00086768

Sd/-

Yogesh Kumar Jain

(Managing Director)

DIN:-00086811

Place: Agra

Date: May 26, 2023

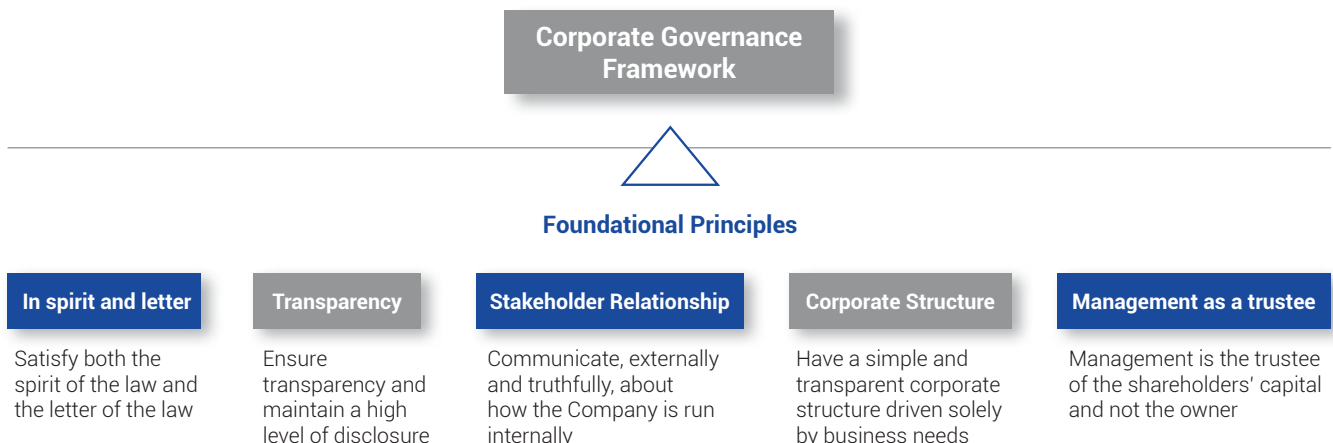
REPORT ON CORPORATE GOVERNANCE

Your Company is committed to attain the highest standard of Corporate Governance. The Company's Corporate Governance structure plays a pivotal role in realizing this long term goal. It provides the fundamental systems, processes and principles that promote objective decision making, performance based management and a corporate culture that is characterized by integrity and fairness in all dealings. This practice is affected by attempts to align the interests of stakeholders of the Company. Your Company considers Corporate Governance is all about maintaining a valuable relationship and trust with all its stakeholders and considers stakeholders as partners in its success and will remain committed to maximizing its stakeholder's value (shareholders, employees, suppliers, consumers or investors).

Company's Philosophy

Your Company's philosophy in relation to Corporate Governance is to ensure transparent disclosures and

reporting that confirms full compliance to the applicable laws, regulations and guidelines, and to promote ethical conduct of the business operation with primary objective of enhancing all stakeholders' value while being a responsible corporate citizen. Your Company is committed to meet the aspirations of all stakeholders. Your Company firmly believes that any meaningful policy on the Corporate Governance must provide empowerment to the executive management of the Company and simultaneously create a mechanism of checks and balances which ensures that the decision making power vested in the executive management are used with care and responsibility to meet shareholders and stakeholders expectations. This is demonstrated in shareholders returns, high credit ratings, recognition from NHAI, governance processes and focussed work environment. Your company not only adheres to the prescribed Corporate Governance practices as per the SEBI Listing Regulations but also committed to sound Corporate Governance principles and practices.



"In this age of technological revolution and globalization, one has to think globally and act locally in the best interest of value creation and nation building."

Your Board functions through board of Directors and various committees constituted to oversee specific operational areas with a professional management team below board level. Your Company undertakes to take all necessary steps to comply with code of Corporate Governance on a continuous basis.

Your Directors present the Company's Report on Corporate Governance in compliance with the Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as SEBI Listing Regulations) for the financial year 2022-23.

1) BOARD OF DIRECTORS

a) Composition of the Board

The Board of Directors of your Company has an ideal combination of Executive and Non-Executive Directors and is in conformity with the provisions of Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, which inter alia stipulates that the Board should have an optimum combination of Executive and Non-executive Directors with at least one Woman Director and not less than 50% of the Board should consist of Independent Directors if the chairman of the Company is an executive Director.

REPORT ON CORPORATE GOVERNANCE (Contd.)

As on March 31, 2023, your Company board comprised of ten Directors, consisting of five Executive Directors; five Non-Executive Directors (including one woman Director). The Board periodically evaluates the need for change in its size and composition, if required any pursuant to the Companies Act, 2013 and SEBI (LODR) Regulations.

Changes in composition during the year:

There is no change in composition of Directors during the year.

The composition of the Board of Directors and the category of each Director during the captioned period, to which this Report belongs, are as under:

Sl. No.	Name	Designation	Category
1.	Mr. Pradeep Kumar Jain	Chairman & Managing Director	Promoter / Executive Director
2.	Mr. Chakresh Kumar Jain	Managing Director	Promoter / Executive Director
3.	Mr. Yogesh Kumar Jain	Managing Director	Promoter / Executive Director
4.	Mr. Anil Kumar Rao	Whole-time Director	Non Promoter / Executive Director
5.	Mr. Talluri Raghupati Rao	Whole-time Director	Non Promoter / Executive Director
6.	Mr. Ashok Kumar Gupta	Director	Independent / Non- Executive Director
7.	Mrs. Deepika Mittal	Director	Independent / Non- Executive Director
8.	Mr. Subhash Chander Kalia	Director	Independent / Non- Executive Director
9.	Mr. Gauri Shankar	Director	Independent / Non- Executive Director
10.	Mr. Krishan Kumar Jalan	Director	Independent / Non- Executive Director

The Independent Directors belongs to different fields of work such as finance, accounts, civil engineering, banking, risk, medical, strategy and planning, administration etc. The Chairman, Managing Directors and Whole-time Directors have been assigned with clearly defined accountabilities and responsibilities. Your Company's Board meets at frequent and regular intervals for planning, assessing and evaluating important business.

b) Role of Board of Directors

Your Company Board comprises qualified Directors who bring in the required skills, competence and expertise that allow them to make effective contributions to the board and its committees. The primary role of the Board is that of trusteeship to protect and enhance shareholders value through strategic direction to the Company. As trustees, the board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholders value and its growth. The Board exercise its duty with care, skill and diligence and exercises independent judgement. It sets strategic goals and seeks accountability for their fulfilment.

It also directs and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholders' aspirations and social expectations.

c) Directors' attendance record and details of Directorships/Committee Positions held and name of the listed entities where the person is a Director and the category of Directorship.

As per Regulation 26(1) of SEBI Listing Regulations, none of the Directors on the Board is a member of more than ten Board-level committees and Chairman of more than five such committees, across all such companies in which he/ she is a Director and as per Regulation 17(A) of SEBI Listing Regulations, none of the Directors of the Company serves as a Director and independent Director in more than seven listed companies.

In compliance of the Companies Act, 2013, none of the Directors on the Board hold Directorships in more than ten Public Companies. Necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2023 have been made by the Directors.

REPORT ON CORPORATE GOVERNANCE (Contd.)

Attendance of Directors at the Board Meetings, Last Annual General Meeting (AGM) and number of other Directorships and Chairmanship / Membership of each Director in various Companies as on March 31, 2023 is as under:-

Name of Director	Category	No. of shares held	No. of Board meeting attended	Last AGM attended	Directorship held in other Indian Public Limited Companies	Other Committee positions held in Indian Public Limited Companies	
						As Chairman	As Member
Mr. Pradeep Kumar Jain	Chairman & Managing Director	1,53,49,500	Five	Yes	One	None	None
Mr. Chakresh Kumar Jain	Managing Director	25,14,000	Five	Yes	Two	None	One
Mr. Yogesh Kumar Jain	Managing Director	1,67,94,000	Five	Yes	Two	None	One
Mr. Anil Kumar Rao	Whole-time Director	80,500	Three	Yes	Six	None	None
Mr. Talluri Raghupati Rao	Whole-time Director	13,000	Five	Yes	Nine	None	None
Mr. Ashok Kumar Gupta	Independent Director	NIL	Five	Yes	None	One	Two
Mrs. Deepika Mittal	Independent Director	NIL	Five	Yes	One	One	One
Mr. Gauri Shankar	Independent Director	NIL	Five	Yes	One	One	Three
Mr. Krishan Kumar Jalan	Independent Director	NIL	Five	Yes	Six	Four	Seven
Mr. Subhash Chander Kalia	Independent Director	NIL	Five	Yes	One	None	One

Notes:

1. Directorships held by Directors as mentioned above, do not include Directorship of private limited companies, foreign companies and Companies u/s 8 of the Companies Act, 2013.
2. In other Committee position, Chairmanship/Membership of Audit Committee, Stakeholders' Relationship Committee, of public limited companies including this Listed Entity have been considered only.
3. There is no inter-se relationship between any Directors except Mr. Pradeep Kumar Jain, Chairman & Managing Director, Mr. Chakresh Kumar Jain, Managing Director and Mr. Yogesh Kumar Jain, Managing Director who are the brothers.

In terms of Schedule V of SEBI Listing Regulations, name of the listed entities where the person is a Director and the category of Directorship are provided in the table below:-

S. No.	Name of the Directors	Name of the Listed Company where the person is Director	Category of Directorship
1	Mr. Pradeep Kumar Jain	PNC Infratech Limited	Chairman & Managing Director
2	Mr. Chakresh Kumar Jain	PNC Infratech Limited	Managing Director
3	Mr. Yogesh Kumar Jain	PNC Infratech Limited	Managing Director
4	Mr. Anil Kumar Rao	PNC Infratech Limited	Whole Time Director
5	Mr. Talluri Raghupati Rao	PNC Infratech Limited	Whole Time Director
6	Mr. Ashok Kumar Gupta	PNC Infratech Limited	Independent Director
7	Mrs. Deepika Mittal	PNC Infratech Limited	Independent Director
8	Mr. Gauri Shankar	PNC Infratech Limited	Independent Director
		Paisalo Digital Limited	Independent Director

REPORT ON CORPORATE GOVERNANCE (Contd.)

S. No.	Name of the Directors	Name of the Listed Company where the person is Director	Category of Directorship
9	Mr. Krishan Kumar Jalan	PNC Infratech Limited	Independent Director
		UNO Minda Limited* (ceased to be ID w.e.f. 16.05.2023)	Independent Director
		Titagarh Rail Systems Limited (Previously known as Titagarh Wagons Limited)	Independent Director
10	Mr. Subhash Chander Kalia	PNC Infratech Limited	Independent Director
		Capital India Finance Limited	Independent Director

Your Company has received declarations from all the above Independent Directors stating that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Reg 25(8) of the SEBI Listing Regulations.

As per the provisions of Sec. 152 of the Companies Act, 2013, Mr. Chakresh Kumar Jain, Managing Director and Mr. Talluri Raghupati Rao, Whole Time Director of the Company, retire by rotation, at the ensuing Annual General Meeting and being eligible, offer himself for reappointment.

d) Number of Board Meetings Held

The Board meets at least once in a quarter inter alia to review the quarterly financial results and operations of the Company. In addition, the Board also meets as and when necessary to address specific issues relating to the business. During the year, the Board met five times i.e. May 28, 2022, August 09, 2022, November 14, 2022, December 21, 2022 and February 14, 2023. The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days.

The necessary quorum was present for all the meetings with the presence of majority of Independent Directors as required under SEBI Listing Regulations. All the meetings were enabled to be attended through video conferencing to facilitate Directors to participate virtually.

Details of attendance of the Directors at the Board meetings and the Last Annual General Meeting are given as under:

BOARD MEETING Venue: 3/22-D, Civil Lines, Agra-Delhi Bypass Road, NH-2, Agra.

Meeting Date and Time	Board Meeting					AGM
	May 22, 2022	August 09, 2022	November 14, 2022	December 21, 2022	February 14, 2023	September 29, 2022
Mr. Pradeep Kumar Jain	✓	✓	✓	✓	✓	✓
Mr. Chakresh Kumar Jain	✓	✓	✓	✓	✓	✓
Mr. Yogesh Kumar Jain	✓	✓	✓	✓	✓	✓
Mr. Anil Kumar Rao	✓	X	X	✓	✓	✓
Mr. Talluri Raghupati Rao	✓	✓	✓	✓	✓	✓
Mr. Ashok Kumar Gupta	✓	✓	✓	✓	✓	✓
Mrs. Deepika Mittal	✓	✓	✓	✓	✓	✓
Mr. Gauri Shankar	✓	✓	✓	✓	✓	✓
Mr. Krishan Kumar Jalan	✓	✓	✓	✓	✓	✓
Mr. Subhash Chander Kalia	✓	✓	✓	✓	✓	✓

Note:

✓ - Present, X- Absent

e) Information to the Board

A detailed agenda is sent to each Director via email, seven days in advance of the Board Meetings. As a policy, all major decisions involving investments and loans, in addition to matters which statutorily require the approval of the Board are put up for consideration of the Board. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately or placed at the meeting) to enable the Board to take informed decisions.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Board periodically reviews compliance status of laws applicable to the Company, prepared by the Management. Further, the Board also reviews the Annual financial statements of the Unlisted Subsidiary Companies. In addition to the above, pursuant to Regulation 24 of the SEBI Listing Regulations, the Minutes of the Board Meetings of the Company's Unlisted Subsidiary Companies and a statement of all significant transactions and arrangements entered into by the Unlisted Subsidiary Companies are placed before the Board.

Recording Minutes of Proceedings at Board and Committee Meetings

The Company Secretary records minutes of proceedings of each Board and Committee meetings. Draft minutes are circulated to Board/ Committee members for their comments within the stipulated time period. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

Post Meeting Follow-Up Mechanism

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof.

Important decisions taken at Board/ Committee meetings are communicated promptly to the concerned Departments/divisions. Action-taken report on decisions/ minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Committees for the noting.

f) Details of Equity Shares held by the Non-Executive Directors

The details of the Equity Shares held by the Non-Executive Director as on March 31, 2023 is given as follows:

Name of the Director	Number of Equity Shares
Mr. Ashok Kumar Gupta	Nil
Mrs. Deepika Mittal	Nil
Mr. Gauri Shankar	Nil
Mr. Krishan Kumar Jalan	Nil
Mr. Subhash Chander Kalia	Nil

Further, the Company has not issued any convertible instrument.

g) Induction & Familiarization Programs for Independent Directors:

The Familiarization program aims to provide insight to the Independent Directors to understand the business of the Company. Upon induction, the Independent Directors are familiarized with their roles, rights and responsibilities.

On appointment, the concerned Director is issued a letter of appointment setting out in detail, the terms of appointment, functions, duties and responsibilities. Each newly appointed Independent Director is taken through a familiarization program. The program aims to familiarize the Directors with the Company, their role and responsibilities, business model of the Company etc.

In addition to the above, the familiarization program for Independent Directors forms part of the Board process. At the quarterly Board meetings of the Company held during the financial year 2022-23, the Independent Directors have been updated on the strategy, operations of the Company performance, developments in the Company and the Company's performance.

The details of such familiarization programs are disclosed on the Company's website at www.pncinfratech.com and can be accessed through web link <https://www.pncinfratech.com/pdfs/familiarization-program-independent-directors-feb-2023.pdf>.

h) Chart or a matrix setting out the skills/expertise/competence of the board of Directors

SEBI (LODR) Regulations, 2015 mandates the listed entities to disclose the required and available expertise of the board on a regular basis so that shareholders could adequately analyze whether a board has a sufficient mix of diverse expertise/skill-sets. A chart or a matrix setting out the skills/ expertise/competence of the board of Directors specifying core skills/expertise/competencies identified by the board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board are given hereunder;

1. Industry Knowledge/Experience- Expertise in civil work, planning, designing, construction, maintenance & overseeing of assigned projects of roads, highways, airports, bridges etc. Liaising with government authorities and adhering to the guidelines created by the government, local bodies for planning, creating and maintaining the infrastructure. Tendering the projects and hire workers/contractor as per the project requirement.

REPORT ON CORPORATE GOVERNANCE (Contd.)

2. **Machines, Equipment & Technical-** Understanding the project requirements and accordingly finalize the required machines and equipment by keeping in mind the latest technology trends. Discussions with different Equipment Suppliers and to finalize the vendor, dealing with purchase dept., procurement of different types of equipment along with their spare parts, its quality check, and transportation to the respective erection sites. Timely inspection and audit of sites working.
3. **Accounting and Finance-** Understand financial statements i.e. balance sheet, profit and loss account, and statement of cash flows, financials ratio, accounts, banking knowledge. Possess the required experience and expertise in finance and accounting being a chief financial officer and chief executive officer of the Company. Management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes. Maintaining appropriate relationship with the statutory auditors, secretarial auditors, internal auditor and cost auditor of the Company. Work for maximizing the interest of shareholders/ stakeholders of the Company.
4. **Board Services and Corporate Governance –** Maintaining the effective board of the Company as per required laws & bylaws with the assigned

responsibilities and accountabilities with the timely overview. Formation of committees and assigned them with the role and responsibilities of reviewing the financials of the Company, maintaining a sound internal control system, policy for the Directors and senior executives analyzing the risk for the Company etc. To keep check on the compliance of all the corporate governance practices of the Company.

5. **Project Management –** Planning the assigned budget, experience of project's designing, cost and time control, project progressing. Ensure fully utilization of resources with zero wastage policy. Forecast deviation and ensure timely completion of assigned projects.
6. **Management Marketing and business Strategy –** Managing all the running sites, toll operation working, toll collection overview, head office management, supervising business operations and marketing.
7. **Administration:-** Skills that are required for success in administration working, such as communicating, computing, organizing, planning, scheduling, or staffing at sites and head office of the Company.

Pursuant to Schedule V of SEBI (LODR) Regulations, 2015, the Board has identified the following skill set with reference to its Business and Industry which are available with the Board:

Name of Director	Area of Operation						
	Industry Knowledge/ Experience	Machine Equipment & Technology	Accounting/ Finance	Board Services/ Corporate Governance	Project Management	Management, Marketing and business strategy	Administration
Mr. Pradeep Kumar Jain	✓	✓	✓	✓	✓	✓	✓
Mr. Chakresh Kumar Jain	✓	✓	✓	✓	✓	✓	✓
Mr. Yogesh Kumar Jain	✓	✓	✓	✓	✓	✓	✓
Mr. Anil Kumar Rao	✓	✓	✓	✓	✓	✓	
Mr. Talluri Raghupati Rao	✓	✓	✓	✓	✓	✓	
Mr. Ashok Kumar Gupta	✓	✓	✓	✓		✓	
Mrs. Deepika Mittal	✓	✓	✓	✓		✓	
Mr. Gauri Shankar	✓	✓	✓	✓		✓	
Mr. Krishan Kumar Jalan	✓	✓	✓	✓		✓	
Mr. Subhash Chander Kalia	✓	✓	✓	✓		✓	

Note: Each Director may possess varied combination of skill/expertise with the described set of parameters and it's not necessary that all Director possess all skills/expertise listed therein.

REPORT ON CORPORATE GOVERNANCE (Contd.)

i) Confirmation from Board regarding fulfilment of the independence criteria by IDs

In the opinion of the Board, the Board confirms that the independent Directors of the Company fulfil the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management. The Board is also in opinion that there needs to be continuous assessment of the independence criteria. Regulatory requirements for testing the independence of Directors are currently based on factual information or checklists. However, true independence is a function of behaviour, and an objectiveness being brought to board deliberations and overall decision making. This is already discussed in sub point c of this report.

Meeting of Independent Directors

Regulation 25 of Listing Regulations and Schedule IV of the Act, read with the Rules thereunder mandate that the Independent Directors of the Company shall hold at least one meeting in a financial year, without the presence of Non-Independent Directors and members of the Management.

At such meeting the independent Directors discuss, among other matters, the performance of the Company and risk faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements and performance of the executive members of the Board, including the Chairman.

The Committees and the Board are updated by the Independent Directors about the outcome of the meetings and actions, if any, required to be taken by the Company.
































During FY 2022-23, the Independent Directors met without the presence of management on March 30, 2023 chaired by Mr. Gauri Shankar.

j) Independent Director Databank Registration

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all Directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the Directors in this regard.

II. COMMITTEES OF THE BOARD

The Board of Directors has constituted seven Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee (CSR), Project Management Committee, Banking cum Investment Committee and Risk Management Committee. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committees are taken by the Board of Directors. Details of the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided below.

Name	Board and Committee Composition as on March 31, 2023							
	Board	Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility (CSR) Committee	Project Management committee	Banking cum Investment Committee	Risk Management Committee
Mr. Pradeep Kumar Jain								
Mr. Chakresh Kumar Jain								
Mr. Yogesh Kumar Jain								
Mr. Anil Kumar Rao								
Mr. Talluri Raghupati Rao								
Mr. Ashok Kumar Gupta								
Mrs. Deepika Mittal								
Mr. Gauri Shankar								
Mr. Krishan Kumar Jalan								
Mr. Subhash Chander Kalia								



Chairperson



Member

REPORT ON CORPORATE GOVERNANCE (Contd.)

A) AUDIT COMMITTEE (AC)

In terms of Reg.18 of SEBI Listing Regulations and Section 177 of the Companies Act, 2013, the Board of Directors of your Company has constituted an Audit Committee comprising of Three Non-Executive and Independent Directors. Members of the Audit Committee possess accounting and financial management knowledge. The Company Secretary is the Secretary to the Committee.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on September 29, 2022 to answer the members' queries.

The Audit Committee met Five times during the financial i.e. May 28, 2022, August 09, 2022, November 14, 2022, December 21, 2022 and February 14, 2023.

The composition of the Audit Committee, no. of meetings and the attendance of its members as on March 31, 2023 are detailed below:

Name of Members	Category	Position Held	Audit Committee Meeting					% of Attendance
			May 28, 2022	August 09, 2022	November 14, 2022	December 12, 2022	February 14, 2023	
Mrs. Deepika Mittal	Non-Executive and Independent Director	Chairperson	P	P	P	P	P	100%
Mr. Ashok Kumar Gupta	Non-Executive and Independent Director	Member	P	P	P	P	P	100%
Mr. Gauri Shankar	Non-Executive and Independent Director	Member	P	P	P	P	P	100%

-P stands for present/attended the meeting.

The Audit Committee meetings are attended by Statutory Auditors, Internal Auditors and other officials from the Finance function of the Company. The Minutes of the meeting of the Audit Committee are circulated to all the Members of the Board for noting.

Terms of reference

The primary objective of the audit committee is to monitor and effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with highest levels of transparency, integrity and quality of financial reporting. The committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors. All possible measures are taken by the committee to ensure the objectivity and independence of the independence auditors.

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II to the SEBI (LODR) Regulations, 2015 and its terms of reference include besides other terms as may be referred by the Board of Directors, from time to time. The Audit Committee has also powers inter alia to investigate any activity within its terms of reference and to seek information from any employee of the Company and seek legal and professional advice.

B) NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee has been constituted to formulate and recommend to the Board all elements of the Appointment and Remuneration package including perquisites payable to the Directors, Managing Directors, Whole-time Directors and Senior Management.

In terms of Reg. 19 read with Part D of Schedule II to the SEBI (LODR) Regulations, 2015 of SEBI Listing Regulations, and Section 178 of the Companies Act, 2013, the Board of Directors of your Company has constituted this Committee comprising Three Non-Executive and Independent Directors. The Company Secretary is the Secretary to the Committee.

The Minutes of the meeting of the Nomination and Remuneration Committee are circulated to all the Member of the Board.

During the Financial Year 2022-23, Nomination and Remuneration Committee met two times on September 29, 2022 and February 14, 2023.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The composition of the Nomination and Remuneration Committee, no. of meetings and the attendance of its members are detailed below:

Name of Members	Category	Position Held	NRC Meeting		% of Attendance
			September 29, 2022	February 14, 2023	
*Mr. Ashok Kumar Gupta	Non-Executive and Independent Director	Chairman	P	NA	100%
Mrs. Deepika Mittal	Non-Executive and Independent Director	Member	P	P	100%
Mr. Gauri Shankar	Non-Executive and Independent Director	Chairman*	P	P	100%
*Mr. Subhash Chander Kalia	Non-Executive and Independent Director	Member	NA	P	100%

-P stands for present/attended the meeting.

-NA stands for Not applicable for the meeting.

*Mr. Ashok Kumar Gupta has been ceased to be member of the Committee and in place of him Mr. Subhash Chander Kalia introduced as a new member of the Committee and Mr. Gauri Shankar elected as Chairman of the Committee w.e.f. November 14, 2022.

Terms of Reference for the Nomination and Remuneration Committee:

The Remuneration Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the remuneration of the Directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and Directors performance.
- Determining whether to extend or continue the term of appointment of the independent Director, on the basis of the report of performance evaluation of independent Directors.
- Considering and recommending grant of employees stock option, if any, and administration and superintendence of the same;
- Recommend to the board, all remuneration, in whatever form, payable to senior management; and

- Carrying out any other function contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, the annual performance evaluation of the Board of Directors, the Committees of the Board and every Director individually for the Financial Year 2022-23 is carried out by the Nomination and Remuneration Committee and Board of Directors a structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A consolidated summary of the ratings given by each Director was then prepared. The report of performance evaluation was then discussed and noted by the Board.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

The Board has also framed an Evaluation criteria in terms of the requirement of Section 178 of the Companies Act, 2013 and the same is available on your Company's website at link <https://www.pncinftratech.com/pdfs/nrc-policy-2023.pdf>.

REPORT ON CORPORATE GOVERNANCE (Contd.)

C) Stakeholders Relationship Committee (SRC)

In terms of Reg. 20 of SEBI Listing Regulations, and Section 178 of the Companies Act, 2013, the Board of Directors of your Company has constituted this Committee comprising one Non-Executive and Independent Director and two Executive Directors wherein Mr. Ashok Kumar Gupta, Non-Executive Independent Director is heading the Committee by holding the position of Chairperson.

Mr. Tapan Jain, Company Secretary & Compliance Officer is the Secretary to the Committee.

The Minutes of the meeting of the Stakeholders Relationship Committee are circulated to all the Member of the Board.

During the Financial Year 2022-23, Stakeholders Relationship Committee met once on February 03, 2023.

The composition of the **Stakeholders Relationship Committee**, no. of meetings and the attendance of its members are detailed below:

Name of Members	Category	Position Held	SRC Meeting	% of Attendance
			February 03, 2023	
Mr. Ashok Kumar Gupta	Non-Executive and Independent Director	Chairman	P	100%
Mr. Chakresh Kumar Jain	Promoter / Executive Director	Member	P	100%
Mr. Yogesh Kumar Jain	Promoter / Executive Director	Member	P	100%

-P stands for present/attended the meeting.

Terms of Reference for the Stakeholders Relationship Committee:

The Stakeholders Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

- Allotment of shares, approval of transfer or transmission of equity shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- Request for demat and remat;
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and

Carrying out any other function contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time.

During the financial year 2022-23, queries/complaints were received by your Company from members/investors, which have been redressed / resolved to date, satisfactorily as shown below:

Details of investor queries/complaints/request received and attended during financial year 2022-23:

No. of Investor complaints pending at the beginning of the year	NIL
No. of Investor complaints received during the year	
Letters	NIL
Emails	10
Correction in refund Instrument/ Refund	
NSE	NIL
BSE	NIL
SEBI	NIL
No. of Investor complaints disposed of during the year	10
No. of Investor complaints unresolved at the end of the year	NIL

D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of your Company, has constituted this Committee comprising one Non-Executive Independent Director and two Executive Directors. The Company Secretary is the Secretary to the Committee.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Minutes of the meeting of the Corporate Social Responsibility Committee are circulated to all the Member of the Board.

During the Financial Year 2022-23, Corporate Social Responsibility Committee met once on February 03, 2023.

The composition of the Corporate Social Responsibility Committee, no. of meetings and the attendance of its members are detailed below:

Name of the Member	Category	Status	CSR Committee meeting	Attendance
			February 03, 2023	
Mr. Chakresh Kumar Jain	Promoter/ Executive Director	Chairman	P	100%
Mr. Anil Kumar Rao	Non Promoter/ Executive Director	Member	P	100%
Mr. Ashok Kumar Gupta	Non-Executive and Independent Director	Member	P	100%

-P stands for present/attended the meeting.

The Scope and Responsibility of the CSR Committee are:

- i) To formulate the Corporate Social Responsibility Policy and recommend to the Board an annual action plan in pursuance of its CSR policy.
- ii) To recommend the activities to be undertaken, as per Sch. VII of the Companies Act, 2013, as and when amended from time to time.
- iii) To recommend the amount of expenditure.
- iv) To Monitor the Corporate Social Responsibility Policy and the expenditure.
- v) To take steps for formation of any Trust/Society/ Company for charitable purpose and get the same registered for the purpose of complying CSR provisions.
- vi) Any other matter/things as may be considered expedient by the Members of the Committee in furtherance of and to comply with the CSR Policy of the Company.

The CSR Policy of your Company has been uploaded and can be viewed on your Company's website at link <https://www.pncinfratech.com/pdfs/csr-policy-2022.pdf>.

E) PROJECT MANAGEMENT COMMITTEE:

The Project Management Committee comprises of Mr. Yogesh Kumar Jain, Managing Director, Mr. Anil Kumar Rao and Mr. Talluri Raghupati Rao Whole Time Directors of the Company. Mr. Yogesh Kumar Jain, Managing Director acts as the Chairman of the Project Management Committee. The Company Secretary is the Secretary to the Committee.

During the Financial Year 2022-23, Project Management Committee met Thirteen times on April 15, 2022, April, 27, 2022, June 04, 2022, June 22, 2022, August 05, 2022, September 06, 2022, October 01, 2022, November 17, 2022, December 06, 2022, December 22, 2022, January 27, 2023, February 15, 2023 and March 01, 2023. The attendance of each member of the Committee is given below:

Project Management Committee Meeting	Name of Members		
	Mr. Yogesh Kumar Jain	Mr. Anil Kumar Rao	Mr. Talluri Raghupati Rao
	Promoter / Executive Director (Chairman)	Non Promoter / Executive Director (Member)	Non Promoter / Executive Director (Member)
April 15, 2022	P	P	P
April 27, 2022	P	P	P
June 04, 2022	P	P	P
June 22, 2022	P	P	P
August 05, 2022	P	P	P
September 06, 2022	P	P	P
October 01, 2022	P	P	P
November 17, 2022	P	P	P
December 06, 2022	P	P	P
December 22, 2022	P	P	P
January 27, 2023	P	P	P
February 15, 2023	P	P	P
March 01, 2023	P	P	P
% of Attendance	100%	100%	100%

-P stands for present/attended the meeting.

REPORT ON CORPORATE GOVERNANCE (Contd.)

F) BANKING CUM INVESTMENT COMMITTEE:

The Banking cum Investment Committee comprises of Mr. Pradeep Kumar Jain, Chairman and Managing Director, Mr. Chakresh Kumar Jain, Managing Director and Mr. Yogesh Kumar Jain, Managing Director. Mr. Pradeep Kumar Jain acts as the Chairman of the Banking cum Investment Committee. The Company Secretary is the Secretary to the Committee.

During the Financial Year 2022-23, Banking cum Investment Committee met Ten times on April 06, 2022, May 28, 2022, June 17, 2022, August 09, 2022, September 22, 2022, October 12, 2022, November 16, 2022, December 12, 2022, January 24, 2023 and March 16, 2023.

The attendance of each member of the Committee is given below:-

Banking cum Investment Committee Meeting	Name of Members		
	Mr. Pradeep Kumar Jain	Mr. Chakresh Kumar Jain	Mr. Yogesh Kumar Jain
	Promoter / Executive Director	Promoter / Executive Director	Promoter / Executive Director
	(Chairman)	(Member)	(Member)
April 06, 2022	P	P	P
May 28, 2022	P	P	P
June 17, 2022	P	P	P
August 09, 2022	P	P	P
September 22, 2022	P	P	P
October 12, 2022	P	P	P
November 16, 2022	P	P	P
December 12, 2022	P	P	P
January 24, 2023	P	P	P
March 16, 2023	P	P	P
% of Attendance	100%	100%	100%

-P stands for present/attended the meeting.

G) RISK MANAGEMENT COMMITTEE (RMC):-

In terms of Reg. 21 of SEBI Listing Regulations, the Board of Directors of your Company in the board meeting held on February 13, 2019, has constituted Risk Management Committee comprising of Two Non-Executive Independent Directors and One Executive Director. Further the Board of Directors in their meeting held on November 14, 2022 reconstituted the composition of the committee.

The Risk Management Committee met Twice during the financial year i.e. August 08, 2022 and February 03, 2023.

The composition of the Risk Management Committee and the attendance of its members as on March 31, 2023 are detailed below:

Name of the Member	Category	Position held	Risk Management Committee Meeting		Attendance
			August 08, 2022	February 03, 2023	
Mr. Chakresh Kumar Jain	Promoter/ Executive Director	Chairman	P	P	100%
Mr. Gauri Shankar	Non-Executive and Independent Director	Member	P	P	100%
*Mrs. Deepika Mittal	Non-Executive and Independent Director	Member	P	NA	100%
*Mr. Krishan Kumar Jalan	Non-Executive and Independent Director	Member	NA	P	100%

-P stands for present/attended the meeting.

-NA stands for Not applicable the meeting.

* Mrs. Deepika Mittal has been ceased to be member of the Committee and in place of her Mr. Krishan Kumar Jalan introduced as a new member of the Committee w.e.f. November 14, 2022.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Board of Directors has the overall responsibility for risk oversight and risk management within the Company. The Board shall review the performance of the risk management committee annually. As a committee of the Board, the Committee is responsible to the Board for:

- oversight on the establishment and implementation of a risk management framework;
- reviewing the effectiveness of the risk management framework in identifying and managing risks and internal processes which include but not limited to ensuring the adequacy of risk management policy and infrastructure to facilitate the implementation of action plans for risk management.
- making regular reports to the Board, including with respect to risk management and minimization procedures.
- reviewing and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval.
- The committee may form and delegate authority to subcommittees when appropriate.

The objectives of the framework are to ensure the provision of quality product and services and direct the risk culture and processes throughout the Group to take advantage of opportunities while managing and monitoring risks that may adversely affect the Group's achievement of its business objectives.

III. REMUNERATION TO DIRECTORS

i. Pecuniary Relationships of the Non-Executive Directors

There were no pecuniary relations or transactions of Non-Executive Directors vis-a-vis the Company other than the sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of your Company.

ii. Criteria/Details of remuneration to Non-executive Directors/Independent Directors

Criteria of making payments to non-executive Directors are provided in Nomination and Remuneration Policy which can be accessed in website <https://www.pncinftratech.com/pdfs/nrc-policy-2023.pdf>.

Remuneration to Non-Executive, Independent Directors paid as on March 31, 2023

[In ₹]

Director	All elements of remuneration packages of the Directors			
	Sitting fees (Board)	Sitting fees (Committees)	Other benefits, if any	Total
Mr. Ashok Kumar Gupta	1,30,000	1,15,000	-	2,45,000
Mrs. Deepika Mittal	1,30,000	1,10,000	-	2,40,000
Mr. Gauri Shankar	1,30,000	1,25,000	-	2,55,000
Mr. Krishan Kumar Jalan	1,30,000	30,000	-	1,60,000
Mr. Subhash Chander Kalia	1,30,000	30,000	-	1,60,000
Total	6,50,000	4,10,000		10,60,000

Details of remuneration to Executive Directors for the Financial Year ended March 31, 2023

[In ₹]

Director	All elements of remuneration packages of the Directors					
	Salary and Allowances including Contribution to PF and other funds	Stock Options	Commission (3.78% approx of eligible net profit)	Total	Term of Appointment	Notice Period & Severance Fees#
Mr. Pradeep Kumar Jain	3,43,20,000		8,88,92,730	12,32,12,730	October 01, 2021-September 30, 2026	
Mr. Chakresh Kumar Jain	3,10,20,000		8,88,92,730	11,99,12,730	October 01, 2021-September 30, 2026	

REPORT ON CORPORATE GOVERNANCE (Contd.)

[In ₹]

Director	All elements of remuneration packages of the Directors					
	Salary and Allowances including Contribution to PF and other funds	Stock Options	Commission (3.78% approx of eligible net profit)	Total	Term of Appointment	Notice Period & Severance Fees#
Mr. Yogesh Kumar Jain	3,10,20,000		8,88,92,730	11,99,12,730	October 01, 2021-September 30, 2026	
Mr. Anil Kumar Rao	1,04,06,220	-	-	1,04,06,220	October 01, 2021-September 30, 2026	
Mr. Talluri Raghupati Rao	89,18,448		-	89,18,448	August 10, 2019 - August 09, 2024	
Total	11,56,84,668		26,66,78,190	38,23,62,858		

Remuneration is within limits specified under section 197 of the Companies Act, 2013 which was approved by Nomination & Remuneration Committee in its meeting held on September 29, 2022.

Service Contracts Notice and Severance Fees as at March 31, 2023, the Board comprised of 10 members including 5 Executive Directors and 5 Non-Executive-Independent Directors. The Executive Directors are the employees of your Company and are subject to service conditions as per the Company's Policy. There is no separate provision for payment of severance fees. However, Independent Directors are subject to a reasonable notice period but are not eligible for severance fees.

The detailed Nomination and Remuneration Policy of your Company has been provided in the Board's Report which forms part of the Annual Report.

IV. SHAREHOLDER INFORMATION

General Body Meetings

The details of date, location and time of the last three Annual General Meetings held are as follows;

Year ended	Venue	Date	Time	Special Resolution Passed
FY 2021-22	Meeting held through Video Conferencing ("VC")/ other Audio- Visual Means ("OAVM")	September 29, 2022	11:30A.M.	No Special Resolution passed.
FY 2020-21	Meeting held through Video Conferencing ("VC")/ other Audio- Visual Means ("OAVM")	September 29, 2021	11:00A.M.	1. Reappointment of Mr. Pradeep Kumar Jain, Chairman & Managing Director 2. Reappointment of Mr. Chakresh Kumar Jain, Managing Director 3. Reappointment of Mr. Yogesh Kumar Jain, Managing Director 4. Reappointment of Mr. Anil Kumar Rao, Whole Time Director 5. Regularisation of Mr. Subhash Chander Kalia, Independent Director
FY 2019-20	Meeting held through Video Conferencing ("VC")/ other Audio- Visual Means ("OAVM")	September 30, 2020	12:00 Noon	1. Special incentive to Mr. Anil Kumar Rao (DIN: 01224525), Whole Time Director

REPORT ON CORPORATE GOVERNANCE (Contd.)

Resolution passed through Postal ballot

No postal ballot for any special resolution was conducted during the financial year 2022-23. There is no immediate proposal/requirement for passing any resolution through postal ballot.

Procedure for Postal ballot

Prescribed Procedure for Postal Ballot as per the provision contained in this behalf as per the Companies Act, 2013 read with the rules made thereunder as amended from time to time shall be complied whenever necessary.

Means of Communication

Website: In accordance with Regulation 46 of the SEBI Listing Regulations, your Company has maintained a functional website at www.pncinftratech.com contains a separate dedicated section "Investors" where all relevant information for the shareholders is available. Quarterly, Half-yearly and Annual Financial Results, disclosures and filings with the stock exchanges, official press releases, presentations to analysts and institutional investors, details of the policies approved by your Company, contact information of the designated official of your Company, who is responsible for assisting and handling investor grievances and other general information about the Company is also

available on your Company's website. The Annual Report of your Company is uploaded on the website of the Company. The contents of the said website are updated from time to time.

Newspapers: The extract of Quarterly, Half-yearly and Annual Financial Results are published in Financial Express (English) and Jansatta (Hindi), which are national and local dailies respectively.

Disclosures: Your Company disseminates on the website of the Stock Exchanges (i.e. BSE and NSE), wherein its equity shares are listed, all mandatory information, price sensitive information and such other information, which in its opinion, are material and/or have a bearing on its performance/ operations and issues press releases, wherever necessary, for the information of the public at large.

Presentations to institutional investors or analysts: The presentations made to the institutional investors or analysts have been uploaded on the website of your Company and also submitted to the Stock Exchanges for dissemination.

For the benefit of the members, a separate email id has been created for member correspondence viz., complianceofficer@pncinftratech.com

V. GENERAL SHAREHOLDERS INFORMATION

a)	Annual General Meeting:	
	Date	29th September, 2023
	Time	01:00 P.M.
	Venue	NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector 5, New Delhi-110017
b)	Financial year	April 01 to March 31
c)	Financial results	
	During the financial year under review, the Board Meetings for approval of quarterly and annual financial results were held on the following dates:	
	1st Quarter Results	August 09, 2022
	2nd Quarter Results	November 14, 2022
	3rd Quarter Results	February 14, 2023
	4th Quarter & Annual Results	May 26, 2023
	The tentative dates of the Board Meetings for consideration of financial results for the financial year 2023-24 are as follows:	
	1st Quarter Results	By August 14
	2nd Quarter Results	By November 14
	3rd Quarter Results	By February 14
	4th Quarter & Annual Results	By May 30
d)	Dividend payment date: Within 30 days of the AGM to the Shareholders and to the Shareholders/Beneficial owners who hold shares, after giving effect the transfer request, at the close of business hours 22 September, 2023.	
e)	Book Closure Date	September 23, 2023 to September 29, 2023 (Both days inclusive)
f)	Listing on stock exchanges:	Your Company's equity shares are listed on the following Stock Exchanges.
		1. National Stock Exchange of India Limited(NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400 051.
		2. BSE Limited (BSE) Floor 25, P.J. Towers, Dalal Street, Mumbai-400 001

REPORT ON CORPORATE GOVERNANCE (Contd.)

g)	Payment of Listing Fees: Your Company has paid annual listing fees for the financial year 2022-23 to the BSE and NSE within stipulated time.
h)	Stock Code BSE 539150 NSE PNCINFRA
i)	ISIN No. for NSDL / CDSL ISIN-INE195J01029 (Old ISIN – INE195J01011) Your Company has paid the annual custodial fee for the financial year 2022-23 to NSDL and CDSL
j)	Corporate Identification Number L45201DL1999PLC195937
k)	Share Transfer System Your Company has appointed Registrar and Shareholder Transfer Agents for all activities in relation to both physical and electronic share transfer facility.
l)	Registrar and Share Transfer Agents Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 Branch off: - Noble Heights, 1st Floor, Plot NH2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi- 110058.
m)	Electronic Clearing Service (ECS) Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083 Branch off: - Noble Heights, 1st Floor, Plot NH2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi- 110058
n)	Investor Complaints to be addressed to Registrar and Share Transfer Agents or to the Company at the address mentioned below.

Suspension of Trading

No securities of your Company were suspended from trading on stock exchanges during the year under review.

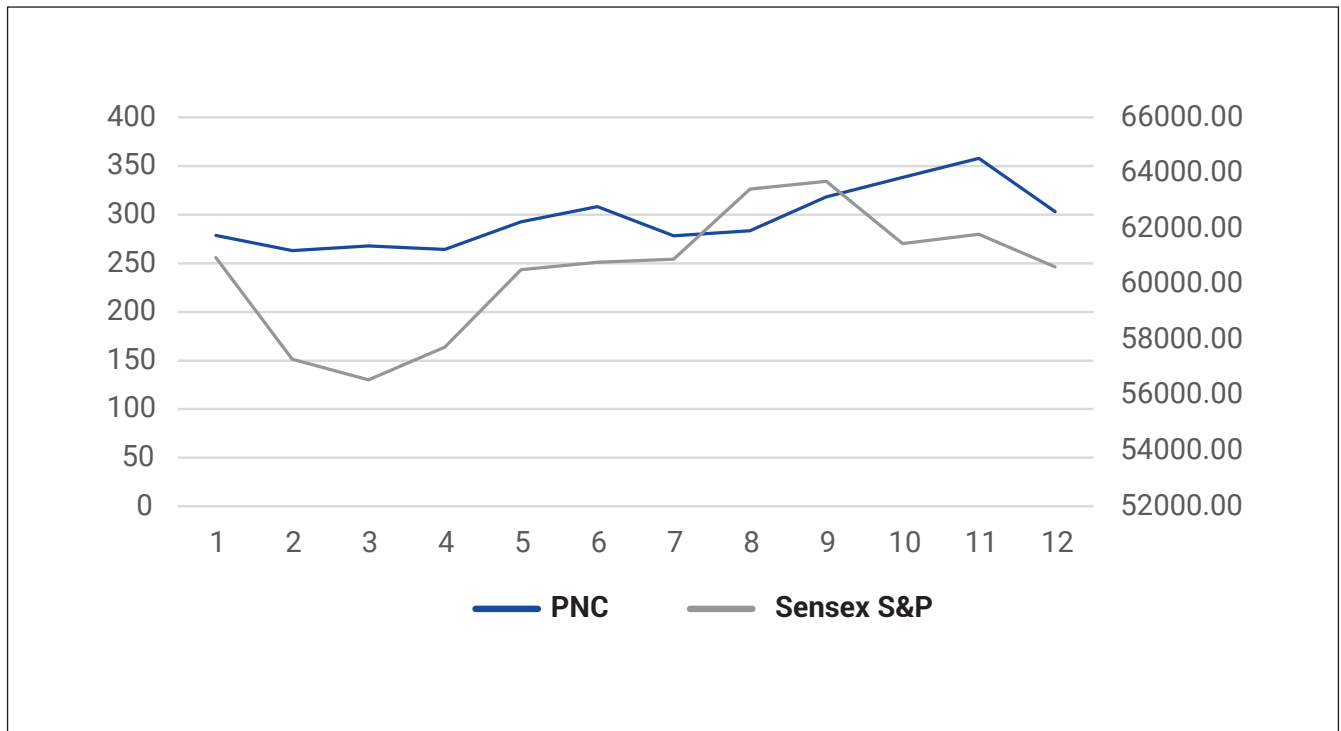
Stock Market Price Data:

The details of monthly high and low price of the Equity Shares of the Company and its comparison to broad based indices BSE Sensex and NSE Nifty for the fiscal year 2022-23 are as follows:

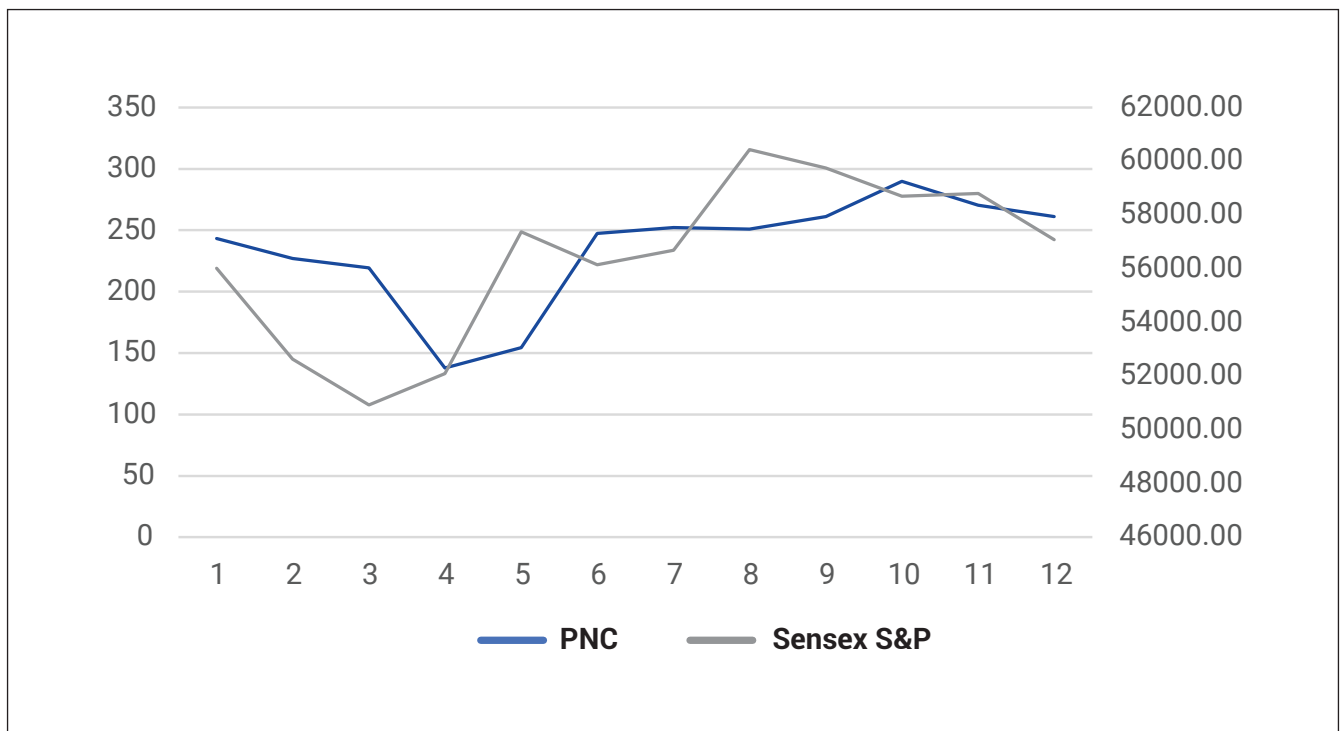
Month	BSE			NSE			S&P BSE SENSEX High	S&P BSE SENSEX Low
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)		
Apr-22	275.35	243.30	9,82,967	275.50	243.25	1,20,16,312	60,845.10	56,009.07
May-22	259.95	226.90	6,29,430	260.00	226.60	57,22,967	57,184.21	52,632.48
Jun-22	264.50	219.35	3,76,563	264.50	219.00	62,52,890	56,432.65	50,921.22
Jul-22	260.80	231.00	2,33,473	260.80	234.55	40,37,878	57,619.27	52,094.25
Aug-22	289.20	247.60	8,58,612	290.95	247.40	1,03,19,974	60,411.20	57,367.47
Sep-22	305.00	247.50	7,79,850	305.30	247.70	81,22,795	60,676.12	56,147.23
Oct-22	275.10	252.30	3,14,720	275.45	254.50	30,68,659	60,786.70	56,683.40
Nov-22	280.00	251.10	3,78,043	280.00	252.00	54,74,942	63,303.01	60,425.47
Dec-22	315.00	261.15	8,86,071	315.00	237.00	1,59,67,222	63,583.07	59,754.10
Jan-23	334.90	290.00	10,57,525	335.00	289.70	1,96,89,108	61,343.96	58,699.20
Feb-23	354.55	270.30	8,08,498	352.00	270.30	1,08,86,851	61,682.25	58,795.97
Mar-23	299.90	261.25	9,31,491	298.60	261.00	2,16,13,732	60,498.48	57,084.91

REPORT ON CORPORATE GOVERNANCE (Contd.)

Performance of PNC Infratech Share vis-a-vis Index Sensex High



Performance of PNC Infratech Share vis-a-vis Index Sensex Low



REPORT ON CORPORATE GOVERNANCE (Contd.)

Distribution of Shareholding as on March 31, 2023

Sr. No.	Category	No. of Shares	Total Shares (%)	No. of Shareholders	Total Shareholders (%)
1	1 to 500	51,03,973	1.99	74,094	94.80
2	501 to 1000	17,37,785	0.68	2,262	2.89
3	1001 to 2000	14,33,069	0.56	963	1.23
4	2001 to 3000	6,34,120	0.25	248	0.32
5	3001 to 4000	3,98,174	0.16	112	0.14
6	4001 to 5000	4,93,954	0.19	105	0.13
7	5001 to 10000	8,84,893	0.34	122	0.16
8	10001 & above	24,58,53,197	95.83	249	0.32
	Total	25,65,39,165	100.00	78,155	100

Pattern of Shareholding as on March 31, 2023

Category	As on March 31, 2023		As on March 31, 2022	
	No. of Shares	Percentage (%)	No. of Shares	Percentage (%)
Promoters	11,90,76,000	46.42	11,90,76,000	46.42
Corporate Bodies (Promoter Co)	2,47,65,000	9.65	2,47,65,000	9.65
Clearing Members	27,202	0.01	2,11,202	0.08
Other Bodies Corporate	6,69,328	0.26	5,78,939	0.23
Financial Institutions/Banks	100	0.00	100	0.00
Hindu Undivided Family	3,36,306	0.13	3,09,964	0.12
Mutual Funds	7,26,59,927	28.32	7,05,68,551	27.51
Non Resident Indians	5,27,904	0.21	5,25,496	0.20
Non Resident (Non- Repatriable)	2,20,680	0.09	1,94,752	0.08
Public	1,09,50,739	4.27	1,05,83,224	4.13
Insurance Companies	27,43,799	1.07	39,41,927	1.54
Foreign Portfolio Investors (Corporate) I & II	2,43,99,428	9.51	2,56,37,295	9.99
Foreign Portfolio Investors (Individual)-II	1,000	0.0004	0	0.00
NBFCs registered with RBI	176	0.0001	0.00	0.00
Alternate Investment Funds- III	0	0.00	35,742	0.01
Directors and their relatives (excluding independent Directors and nominee Directors)	93,500	0.04	91,500	0.04
Body Corporate-Limited Liability Partnership	40,483	0.02	11,288	0.0044
Trusts	26,193	0.01	7,185	0.0028
Foreign Nationals	1,400	0.0005	1,000	0.0004
TOTAL	25,65,39,165	100.00	25,65,39,165	100.00

Dematerialization of shares and Liquidity

As on March 31, 2023, 25,65,39,160 equity shares representing approx 100% of the total equity share capital of your Company, were held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited. The break-up of equity shares held in Physical and Dematerialized form as on March 31, 2023, is given below:

S.No.	Particulars	No. of Share	Percentage (%)
1	Held in dematerialized form with CDSL	3,63,00,455	14.15
2	Held in dematerialized form with NDSL	22,02,38,705	85.85
3	Physical	5	Negligible
	Total	25,65,39,165	100.00

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Promoters, Directors and Key Managerial Personnel(s) hold their entire equity shareholding in your Company in dematerialized form in accordance with provisions of the Depositories Act 1996 and regulations made there under.

Your Company's equity shares are regularly traded on the NSE and BSE.

Plant Locations: Your Company does not have any manufacturing plant as the Company is in the business of Construction and other infrastructure activities. Your Company has various works and project sites across the country.

Address for Members' Correspondence:

Members are requested to correspond with the Registrars and Share Transfer Agents at the below given address on all matters relating to transfer/ dematerialization of shares, payment of dividend and any other query relating to Equity Shares of the Company.

Documents will be accepted at the below address between 10.00 a.m. and 3.30 p.m. (Monday to Friday except bank holidays).

(a) Registered Office:

Name of Co. PNC Infratech Limited
Address: NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector V, Saket, New Delhi-17
Tel. No. & Fax No. 011-29574800 & 011-29563844
Email:- complianceofficer@pncinfratech.com
Website: www.pncinfratech.com

(b) Corporate Office:

Name of Co. PNC Infratech Limited
Address: PNC Tower, 3/22-D, Civil Lines, Bypass Road, NH-2, Agra-282002
Tel. No. & Fax No. 0562-4054400 & 0562-4070011
Email: complianceofficer@pncinfratech.com
Website: www.pncinfratech.com

(c) Registrar & Share Transfer Agent

Link Intime India Private Limited
Address: Noble Heights, 1st Floor, Plot NH2, C-1 Block LSC, Near Savitri Market, Janakpuri, New Delhi- 110058
Tel. No. & Fax No. 011-49411000 & 011-41410591
Email: delhi@linkintime.co.in
Website: www.linkintime.co.in

Credit Rating

During the Financial Year 2022-23, List of credit rating obtained by your company for its equity shares date wise are given below:

S.N.	Date of Report by CARE	Date of rating intimated to Stock Exchange	Facilities	Rating	Rating Action
1	February 01, 2023	February 01, 2023	For Long Term Bank Facilities for ₹ 1,700 Cr	CARE AA+; Stable (Double A Plus; Outlook: Stable)	Revised from CARE AA; Stable (Double A; Outlook: Stable)
			For Short Term Bank Facilities for ₹ 5,000 Cr	CARE A1+ (A One Plus)	Reaffirmed

VI. OTHER DISCLOSURES

a) Disclosures regarding the Board of Directors

As per the provisions of the Companies Act, 2013, Mr. Chakresh Kumar Jain (DIN: 00086768), Managing Director and Mr. Talluri Raghupati Rao (DIN: 01207205), Whole Time Director will retire at the ensuing AGM and being eligible, seeks re-appointment. The Board, based on evaluation, has recommended their appointment.

Your Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed under the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI Listing Regulations. Detailed profile of the Directors who are seeking appointment/reappointment at the ensuing Annual General Meeting of your Company is given under the Explanatory Statement to the Notice which is forming part of the Annual Report of the Company.

REPORT ON CORPORATE GOVERNANCE (Contd.)

b) Related Party Transactions

There were no material related party transactions entered by your Company that may have a potential conflict with the interests of the Company. Details of other related party transactions with its promoters, the Directors or the management, their subsidiaries or relatives, etc. are presented in the Note No. 49 of the Financial Statements. All details on the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. The interested Directors neither participate in the discussion, nor vote on such matters during the financial year 2022-23.

Your Company has formulated a Policy on Related Party Transactions, which has been uploaded and can be viewed on your Company's website <https://www.pncinfotech.com/pdfs/policy-on-materiality-and-dealing-with-relatedparty-transactions-pnc.pdf>.

c) Disclosure of Pending Cases/Instances of Non-Compliance with respect to Capital Markets

Your Company has complied with all the requirements of regulatory authorities with respect to capital markets. There were no instances of non-compliances by your Company and no penalties and strictures imposed on your Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

d) Vigil Mechanism / Whistle Blower Policy

Your Company has established a mechanism for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or, violation of the code. It also provides for adequate safeguards against the victimization of employees who avail of the mechanism, and allows direct access to the chairman of the audit committee in exceptional cases.

This is also affirmed that no personnel have been denied access to the Audit Committee.

The Whistle Blower Policy is also displayed on the website of your Company and can be accessed at <https://www.pncinfotech.com/pdfs/vigil-mechanism-whistle-blower-policy-pnc-infotech-limited.pdf>.

e) Compliance with mandatory requirements

Your Company has complied with all the applicable mandatory requirements under various Regulations of the SEBI Listing Regulations.

Non- mandatory requirements

Your Company has adopted the following non-mandatory discretionary requirements as specified in Part E of Schedule II of the SEBI Listing Regulations:

i. Board

Since your Company did not have a Non-Executive Chairman during the financial year 2022-23, hence, the requirement of maintaining a Chairman's Office was not applicable to the Company.

ii. Shareholder Rights

The quarterly, half-yearly and annual financial results are published in the newspapers and are also displayed on the website of your Company.

iii. Audit qualifications

During the financial year under review, there is no audit qualification or observation on your Company's Audited Standalone and Consolidated Financial Statements and Results. Your Company continues to adopt best practices to ensure regime of Financial Statements with unmodified opinion in audit report.

iv. Separate Posts of Chairperson and MD/CEO

Your Company Chairperson is an Executive Director and related to the Managing Director as per the definition of the "relative" defined under Companies Act, 2013.

v. Reporting of Internal Auditor

The Internal Auditors of your Company directly reports to the Audit Committee of your Company and makes presentation.

f) Link for policy on determining Material Subsidiaries

Your Company has a Policy for determining material subsidiaries which is disclosed on website and can be accessed at <https://www.pncinfotech.com/pdfs/policy-for-determining-material-subsidiaries-2022.pdf>.

g) Disclosure of Commodity price risks or Foreign Exchange Risk and hedging activities.

Your Company is not dealing in commodities and Foreign Exchange and hence disclosure relating

REPORT ON CORPORATE GOVERNANCE (Contd.)

to commodity price risks and commodity hedging activities is not required pertaining to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A) of LODR Regulations:

During the year under review your Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). Hence, no disclosure is required.

i) Practicing Company Secretary Certification

Mr. Suchitta Koley, Partner of DR Associates, Practicing Companies Secretaries has issued certificate as required under SEBI Listing Regulations, confirming that none of the Directors on the board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The certificate forms integral part of this report.

j) The board has accepted all the recommendation/ submission made by the committees of the board which are mandatory or recommendatory in nature during the period under review;

k) Total fees for all services paid by your Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Details relating to fees paid to the statutory auditors are given in Note No. 37 of the Standalone Financial Statements and Note No. 40 to the Consolidated Financial Statements.

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has framed the policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matter connected therewith or incidental thereto covering all the aspects as contained under 'The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act [the Act]'. Your Company has constituted Internal Complaints

Committee under the Act. During the period under review, no complaint was received.

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed of during the financial year	Nil
c.	Number of complaints pending as on end of the financial year	Nil

m) Accounting treatment in preparation of financial statements

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and in conformity, in all material respects, with the Indian Accounting Standards (Ind AS) and generally accepted accounting principles in India. The estimates/judgments made in preparation of these financial statement are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/ operations of the Company.

n) Risk Management

Your Company has well-defined Risk Management Policy, duly approved by the committee and Board, which are periodically reviewed to ensure that the executive management controls risk by means of a properly defined framework.

Under this framework, risks are identified across all business processes of the Company on a continuous basis. Once identified, these risks are systematically categorized as strategic risks, business risks or reporting risks. Based on this framework, your Company has set in place various procedures for Risk Management. Your Company has separate Risk Management Committee that reviewed the mitigation plan for the various risks (both internal and external) identified and monitored its implementation in order to continuously improve the risk management process. Also the Committee has appointed Chief Risk Officer who is exclusively responsible for implementing the risk management framework, including the procedures, policies and controls which establish an appropriate risk management framework that, at a minimum, clearly identifies and documents the range of risks to which the Company is exposed, addresses the monitoring and management of the entirety of those risks, and provides a mechanism for internal audit.

REPORT ON CORPORATE GOVERNANCE (Contd.)

o) Code of Conduct

The Board has laid down the code of conduct for all the Board Members and Senior Managerial Personnel of the Company. All Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the financial year ended March 31, 2023 and a declaration to this effect duly signed by Managing Director of the Company forms integral part to this report. This Code has been displayed on your Company's website- <https://www.pncinfratech.com/pdfs/code-of-conduct-for-board-of-directors-and-senior-management-personnel.pdf>.

p) Code for Prevention of Insider Trading Practices

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, your Company, inter-alia, adopted a policy or Code of Conduct for Regulating,

Monitoring and Reporting trading by an Insider. This policy includes policy and procedures for enquiry in case of leak in Unpublished Price Sensitive Information (UPSI) or suspected leak of UPSI. This code is displayed on your Company's website viz www.pncinfratech.com. Your Company has automated the declarations and disclosures to maintain Digital database of Designated Person and their immediate relative and the Board reviews the policy on need basis. The Company Secretary is the compliance Officer for monitoring adherence to the said PIT Regulations.

q) Loans & Advances by the Company and its subsidiaries in the nature of Loans to firms/ Companies in which directors are interested :

I. Loans & Advances by the Company i.e. PNC Infratech Limited as under:

S. No.	Name of the Firms/ Companies in which Directors are interested	Amount outstanding as on March 31, 2023 (₹ In lakhs)
1.	PNC Khajuraho Highways Private Limited	6,480.00
2.	PNC Chitradurga Highways Private Limited	6,400.00
3.	PNC Triveni Sangam Highways Private Limited	8,430.00
4.	PNC Aligarh Highways Private Limited	6,419.00
5.	PNC Unnao Highways Private Limited	4,063.00
6.	PNC Bithur Kanpur Highways Private Limited	7,936.00
7.	PNC Meerut Haridwar Highways Private Limited	4,589.00
8.	PNC Rajasthan Highways Private Limited	3,904.00
9.	PNC Challakere (Karnataka) Highways Private Limited	3,780.00
10.	PNC Bareilly Nainital Highways Private Limited	9,650.00
11.	PNC Bundelkhand Highways Private Limited	6,272.00
12.	PNC Gomti Highways Private Limited	5,164.00
13.	Kanpur Lucknow Expressway Private Limited	500.00
14.	Awadh Expressway Private Limited	500.00
15.	Akkalkot Highways Private Limited	600.00
16.	Yamuna Highways Private Limited	400.00
17.	Hardoi Highways Private Limited	50.00
18.	Hathras Highways Private Limited	50.00
19.	Sonauli Gorakhpur Highways Private Limited	50.00
Total		75,237.00

II. Loans & Advances by the Subsidiary :

a) By PNC Kanpur Ayodhya Tollways Private Limited

S. No.	Name of the Firms/ Companies in which Directors are interested	Amount outstanding as on March 31, 2023 (₹ In lakhs)
1.	PNC Infratech Limited	7,307.73
2.	PNC BAREILLY NAINITAL HIGHWAYS PRIVATE LIMITED	10,000.00
Total		17,307.73

REPORT ON CORPORATE GOVERNANCE (Contd.)

b) By PNC DELHI INDUSTRIALINFRA PRIVATE LIMITED

S. No.	Name of the Firms/ Companies in which Directors are interested	Amount outstanding as on March 31, 2023 (₹ In lakhs)
1.	PNC Infratech Limited	4,000.00
Total		4,000.00

r) Details of material subsidiaries

Name of Company	Date of Incorporation	Place of Incorporation	Statutory details
PNC Infra Holdings Limited	January 12, 2011	Delhi	M/s. S.N. Gupta & Co., Chartered Accountants appointed w.e.f. September 29, 2020

s) Details of non-compliance, if any

There is no Non-Compliance of any requirement of Corporate Governance Report of sub para (2) to (10) of the Part C of Schedule V of the SEBI Listing Regulations.

t) Compliance with corporate governance requirements specified in Regulation 17 to 27 and Clause (b) to of sub-regulation (2) of Regulation 46 of SEBI(LODR) Regulations, 2015

Your Company has complied with all Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of sub Regulation (2) of Regulation 46 of SEBI (LODR) Regulations, 2015.

u) Certificate on Corporate Governance from Practicing Company Secretary

Your Company has obtained a Certificate from its Secretarial Auditors regarding compliance of the conditions of Corporate governance, as stipulated in Regulation 34(3) and PART E of Schedule V of SEBI Listing Regulations, which forms integral part of this report and shall be sent to all the members of your Company and the Stock Exchanges along with the Annual Report of the Company.

v) Compliance with Regulation 39(4) read with Schedule V and VI of SEBI Listing Regulations – Uniform procedure for dealing with unclaimed shares:

As on March 31, 2023, there was no unclaimed share and thereby, the detail pertaining to demat suspense account / unclaimed shares shall not be disclosed.

w) Disclosure under Regulation 30 and 46 of SEBI Listing Regulations regarding certain agreements with the media companies:

Pursuant to the requirement of Regulation 30 of the SEBI Listing Regulations, your Company

would like to inform that no agreement(s) have been entered with media companies and/or their associates which has resulted/ will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable.

Your Company has not entered into any other back to back treaties/ contracts/agreements/ MOUs or similar instruments with media companies and/or their associates.

x) CEO/ CFO certification

Certificate from Mr. Chakresh Kumar Jain, Managing Director and Mr. Bhupinder Kumar Sawhney, Chief Financial Officer of the Company, in terms of Reg. 17(8) of the SEBI Listing Regulations, for the year under review, was placed before the Board of Directors of the Company in their meeting held on May 26, 2023 and forms integral part of this report.

VII. INVESTOR SAFEGUARDS AND OTHER INFORMATION:

• Dematerialization of shares

Members are requested to convert their physical holdings to demat/electronic form through any of the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held.

• Revalidation of Dividend DD/Warrant

In respect of members who have either not opted for NECS/ECS mandate or do not have such a facility with their bankers and who have not encashed earlier dividends paid by the Company,,

REPORT ON CORPORATE GOVERNANCE (Contd.)

are requested to write to the Company's Share Transfer Agents for revalidation of expired dividend warrants or for electronic credit of unpaid dividend warrants, requisite bank details for such electronic remittance shall be made updated in the records of Depository Participants.

Upon receipt of the requisite documents, the Company will credit the unpaid dividend amount to the shareholder's bank account within stipulated time.

- **Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF)**

Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority

(Accounting Audit, Transfer and Refund) Rules, 2016 mandates that companies transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the Rules mandate the transfer of shares with respect to the dividend, which has not been paid or claimed for seven consecutive years or more to IEPF. Accordingly, the dividend for the years mentioned as follows will be transferred to the IEPF on the respective dates if the dividend remains unclaimed for seven years, and the corresponding shares will also be transferred to IEPF if dividend is unclaimed for seven consecutive years.

Year	Type of Dividend	Dividend Per Share (₹)	Date of Declaration	Due Date for Transfer	Amount (₹)
FY 2014-15	Final	1.50	September 28, 2015	October 27, 2022	1,269.00 (Transfer to IEPF a/c)
FY 2015-16	Final	0.50	September 30, 2016	October 27, 2023	5,230.50
FY 2016-17	Final	0.50	September 29, 2017	October 27, 2024	9,349.00
FY 2017-18	Final	0.50	September 29, 2018	October 27, 2025	40,497.50
FY 2018-19	Final	0.50	September 30, 2019	October 27, 2026	14,056.50
FY 2019-20	Interim	0.50	March 09, 2020	April 07, 2027	42,419.00
FY 2020-21	Final	0.50	September 29, 2021	October 27, 2028	11,977.00
FY 2021-22	Final	0.50	September 29, 2022	October 27, 2029	14,445.50

- **Update Address/E-mail Address/Bank details**

To receive all communications/corporate actions promptly, members holding shares in dematerialized form are requested to please update their address/email address/bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

Members who hold shares in physical form are requested to promptly update change in bank details with the Company/Registrar and Transfer Agents, M/s. Link Intime India Private Limited (Unit: PNC Infratech Limited) for receiving dividends through electronic payment modes.

- **Electronic service of documents to members at the Registered Email Address**

SEBI, through its Circular No. CIR/MRD/DP/10/2013, dated March 21, 2013, has mandated the Companies to use Reserve Bank of India(RBI) approve electronic payment modes, such as ECS[LECS(Local ECS)/RECS (Regional ECS) / NECS (National ECS)], NEFT and other to pay members in cash.

Recognizing the spirit of the circular issued by the SEBI, Members whose shareholding is in the electronic mode are requested to promptly update change in bank details with the Depository through your Depository Participant for receiving dividends through electronic payment modes.

Green Initiative

Your Company is concerned about the environment and utilizes natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, through its various circulars has allowed Companies to send official documents to their shareholders electronically as a part of its green initiatives in corporate governance.

Recognizing the spirit of the circular issued by the MCA, we henceforth propose to send documents like the Notice convening the general meeting, Financial Statements, Boards' Report, Auditor's Report and others to the email address provided by you with the relevant depositories.

REPORT ON CORPORATE GOVERNANCE (Contd.)

- **Participation and voting at 24th AGM**

Pursuant to the General Circular numbers 20/2020, 02/2021, 19/2021, 21/2021, 02/2022 and 10/2022 issued by the Ministry of Corporate Affairs and Circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 issued by SEBI, the 24th AGM of your Company will be held through video-conferencing and the detailed instructions for participation and voting i.e. either by remote e-voting or by e-voting on the date of the AGM of the Company by following the procedure provided in the notice of AGM of the Company.

- **Consolidate multiple folios [in respect of physical shareholding]**

Members are requested to consolidate their shareholdings under multiple folios to eliminate the receipt of multiple communications and this would ensure that future correspondence/corporate benefits could then be sent to the consolidated folio.

- **Register Nomination(s)**

Members holding shares in physical form, are requested to register the name of their nominee(s), who shall succeed the member as the beneficiary of their shares and in order to avail this nomination facility, they may obtain/submit the prescribed form from the Registrars & Share Transfer Agents. Members holding shares in dematerialized form are requested to register their nominations directly with their respective DPs.

- **Dealing of Securities with SEBI registered intermediaries**

In respect of dealings in securities, members must ensure that they deal only with SEBI registered intermediaries and must obtain a valid contract note/ confirmation memo from the broker/sub-broker within 24 hours of execution of the trade(s) and it should be ensured that the contract note/ confirmation memo contains details about order no., trade no., trade time, quantity, price and brokerage.

**For and on behalf of the Board of Directors of
PNC Infartech Limited**

**Place: Agra
Date: May 26, 2023**

**Sd/-
Chakresh Kumar Jain**
(Managing Director)
DIN:-00086768

**Sd/-
Yogesh Kumar Jain**
(Managing Director)
DIN:-00086811

REPORT ON CORPORATE GOVERNANCE (Contd.)**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members of

PNC Infratech Limited

NBCC Plaza, Tower II, 4th Floor,
Pushp Vihar, Sector 5, New Delhi - 110017

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PNC Infratech Limited having CIN L45201DL1999PLC195937 and having registered office at NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector 5, New Delhi - 110017 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For DR Associates
Company Secretaries
Firm Regn. No.: P2007DE003300
Peer Review Certificate No.: 609/2019**

**Sd/-
Suchitta Koley**
Partner

FCS 1647; CP No.: 714
UDIN: F001647E000335411

**Place: New Delhi
Date: May 19, 2023**

REPORT ON CORPORATE GOVERNANCE (Contd.)

**DECLARATION BY THE MANAGING DIRECTOR REGULATION 34(3) READ WITH
PART D OF SCHEDULE V OF THE SEBI LISTING REGULATIONS**

To
The Members of
PNC Infratech Limited,
CIN-L45201DL1999PLC195937
NBCC Plaza, Tower-II, 4th Floor,
Pushp Vihar, Sector-V, Saket,
New Delhi – 110017

This is to declare that, in line with the requirement of Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, all the Directors of the Board and Senior Management Personnel have solemnly affirmed that to the best of their knowledge and belief, they have complied with the provisions of the Code of Conduct during the financial year 2022-23.

For PNC Infratech Limited

Sd/-
Chakresh Kumar Jain
Managing Director
DIN: 00086768

Place: Agra
Date: May 26, 2023

REPORT ON CORPORATE GOVERNANCE (Contd.)**CERTIFICATE ON CORPORATE GOVERNANCE**

The Members of PNC Infratech Limited
New Delhi

We have examined the compliance of conditions of Corporate Governance by PNC Infratech Limited ('the Company'), for the financial year ended March 31, 2023, as stipulated in Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In our opinion and to the best of our information and according to the explanation given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

For DR Associates
Company Secretaries
Firm Regn. No.: P2007DE003300
Peer Review Certificate No.: 609/2019

Place: New Delhi
Date: May 19, 2023

Sd/-
Suchitta Koley
Partner
FCS 1647; CP No.: 714
UDIN: F001647E000335332

REPORT ON CORPORATE GOVERNANCE (Contd.)

Date: May 26, 2023

To,

The Board of Directors

PNC Infratech Limited,

NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar,

Sector-V, Saket, New Delhi – 110017

Re: Certification by Managing Director/Chief Financial Officer for financial year 2022-23 -under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We, Chakresh Kumar Jain, Managing Director and Bhupinder Kumar Sawhney, Chief Financial Officer of PNC Infratech Limited to the best of our knowledge and belief, certify that:

- A) We have reviewed the financial statements and the Cash Flow Statement for the year and that to the best our knowledge and belief;
- (I) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (II) These statements together present a true and fair view of the Company's affairs, and are in compliance with existing accounting standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial reporting for the Company and have:
- (I) Evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting
 - (II) Disclosed to the Auditors and the Audit Committee of the Board, deficiencies in the design or operation of internal control, if any of which we are aware and
 - (III) Taken necessary steps/proposed necessary steps to rectify these deficiencies
- D) We have indicated to the Auditors and the Audit Committee of the Board that there have been:
- (I) No significant changes in internal control over the financial reporting during the year
 - (II) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements and
 - (III) No instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Sd/-
(Chakresh Kumar Jain)
Managing Director

Sd/-
(Bhupinder Kumar Sawhney)
Chief Financial Officer

ANNEXURE I

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L45201DL1999PLC195937
2.	Name of the Listed Entity	PNC Infratech Limited
3.	Year of incorporation	August 09, 1999
4.	Registered office address	NBCC Plaza, Tower II, 4th Floor, Pushp Vihar, Sector 5, New Delhi - 110017
5.	Corporate address	PNC Tower, 2nd Floor 3/22-D, Civil Lines, Agra-Delhi Bypass Road, NH-2 Agra UP 282002 IN
6.	E-mail	complianceofficer@pncinfratech.com
7.	Telephone	0562 4054400
8.	Website	https://www.pncinfratech.com/
9.	Financial year for which reporting is being done	April 01, 2022 to March 31, 2023
10.	Name of the Stock Exchange(s) where shares are listed	1. BSE Limited; and 2. National Stock Exchange of India Limited.
11.	Paid-up Capital	₹ 51,30,78,330/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name- CS Tapan Jain Contact- +91 9997949125 Email ID- tapan@pncinfratech.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

II. Products/services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Construction	Construction of Roads & Highways, Water project	96.39%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Construction of Roads, Highways, Expressways and Bridges.	42101	83.30%
2	Construction of Irrigation & Rural Drinking Water Supply Projects	42204	13.10%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	0	10	10
International	0	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	10
International (No. of Countries)	0

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

NIL

c. A brief on types of customers

PNC Infratech Limited is an integrated infrastructure solution provider with investment, design, development, construction, operation, maintenance & management capabilities and with proven experience in airports, highways, expressways, bridges, flyovers, dedicated rail freight corridor, drinking water supply and allied sectors. The Company executes projects across varied implementation formats, including Item Rate, EPC (Design-Build), BOT-Annuity, BOT-Toll, and Hybrid Annuity Mode (HAM) Projects across geographies. Company primarily cater to a diverse range of esteemed clients, including various State and Central Government, key infrastructural development authorities such as the NHAI, MoRTH, Airports Authority of India, Military Engineering Services, Delhi State Industrial and Infrastructure Development Corporation Limited, Madhya Pradesh Road Development Corporation Limited, Uttar Pradesh State Highways Authority, Uttar Pradesh Expressways Industrial Development Authority, and others.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	8,320	8,292	99.66%	28	0.34%
2.	Other than Permanent (E)	1,523	1,523	100%	0	-
3.	Total employees (D + E)	9,843	9,815	99.72%	28	0.28%
WORKERS						
4.	Permanent (F)	0	-	-	-	-
5.	Other than Permanent (G)	0	-	-	-	-
6.	Total workers (F + G)	0	-	-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	2	2	100%	0	-
2.	Other than Permanent (E)	0	0	-	0	-
3.	Total differently abled employees (D + E)	2	2	100%	0	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	-	0	-
5.	Other than permanent (G)	0	0	-	0	-
6.	Total differently abled workers (F + G)	0	0	-	0	-

19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10%
Key Management Personnel	7	0	0%

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Particulars	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	31.24%	3.77%	31.16%	27.06%	4.26%	27%	30.21%	13.04%	30.16%
Permanent Workers	-	-	-	-	-	-	-	-	-

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding /subsidiary/ associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	MP Highways Private Limited	Subsidiary	100%	No
2	PNC Kanpur Highways Limited	Subsidiary	100%	No
3	PNC Infra Holdings Limited	Subsidiary	100%	No
4	PNC Delhi Industrialinfra Private Limited	Subsidiary	100%	No
5	PNC Bareilly Nainital Highways Private Limited	Subsidiary	100%	No
6	PNC Raebareli Highways Private Limited	Subsidiary	100%	No
7	PNC Kanpur Ayodhya Tollways Private Limited	Subsidiary	100%	No
8	PNC Rajasthan Highways Private Limited	Subsidiary	100%	No
9	PNC Bundelkhand Highways Private Limited	Subsidiary	100%	No
10	PNC Chitradurga Highways Private Limited	Subsidiary	100%	No
11	PNC Khajuraho Highways Private Limited	Subsidiary	100%	No

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

S. No.	Name of the holding /subsidiary/ associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
12	PNC Triveni Sangam Highways Private Limited	Subsidiary	100%	No
13	PNC Aligarh Highways Private Limited	Subsidiary	100%	No
14	PNC Challakere (Karnataka) Highways Private Limited	Subsidiary	100%	No
15	PNC Unnao Highways Private Limited	Subsidiary	100%	No
16	PNC Gomti Highways Private Limited	Subsidiary	100%	No
17	PNC Bithur Kanpur Highways Private Limited	Subsidiary	100%	No
18	PNC Meerut Haridwar Highways Private Limited	Subsidiary	100%	No
19	Kanpur Lucknow Expressway Private Limited	Subsidiary	100%	No
20	Hardoi Highways Private Limited	Subsidiary	100%	No
21	Awadh Expressway Private Limited	Subsidiary	100%	No
22	Sonauli Gorakhpur Highways Private Limited	Subsidiary	100%	No
23	Akkalkot Highways Private Limited	Subsidiary	100%	No
24	Yamuna Highways Private Limited	Subsidiary	100%	No
25	Hathras Highways Private Limited	Subsidiary	100%	No

VI. CSR Details

22. (i)	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii)	Turnover (in ₹)	70,60,83,98,391.89
(iii)	Net worth (in ₹)	39,41,56,20,375.72

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance)	2022-23 Current Financial Year			2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	-	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes	10	0	-	03	0	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	Yes	0	0	-	0	0	-
Value Chain Partners	Yes	0	0	-	0	0	-
Other (please specify)	Yes	0	0	-	0	0	-

The Company has a grievance redressal policy for its employees and internal stakeholders accessible on the <https://www.pncinfrotech.com/>

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate change	Risk	<p>The pressing issue of climate change has underscored the necessity to enhance the resilience of urban regions. Many infrastructures and public areas weren't planned to cope with the environmental challenges we currently face, including severe weather conditions, air pollution, energy deficits, and water scarcity. Tackling climate change demands the expansion of innovative solutions in areas such as energy, efficiency, material use, and beyond. Government policies are catalysing a shift towards eco-friendly construction. The climate action agenda presents commercial opportunities that empower us to aid in climate change adaptation and reduction.</p> <p>Potential alterations brought on by climate change, such as regulatory modifications, shifts in consumer preferences, and other substantial changes in the Company's operational context, could also significantly affect the business and poses a risk.</p>	As an organization, we recognize the imperative to address carbon emissions as a risk. We are committed to adopting proactive measures, including investing in clean technologies, optimizing energy efficiency, and promoting sustainable practices. By taking decisive action, we aim to mitigate our carbon footprint and contribute to a greener, low-carbon future.	Negative
2.	Circularity, including materials and resources efficiency	Risk	The Company is in construction business and the disruption in operations could have the risk of creating an adverse economic impact. The link between circular flows and climate emissions is clear, and increasing circular material flows could help reduce climate impact. Circularity and resource efficiency are linked to operational efficiency and reduced environmental impact.	The company may adopt measures that promote circular practices, such as utilizing recycled materials, implementing efficient waste management, and prioritizing resource conservation. By embracing circularity, we aim to minimize environmental impact and contribute to a sustainable construction industry.	Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Occupational health and safety	Risk	The Group is engaged in executing potentially hazardous projects that necessitate ongoing supervision and administration of health and safety risks. Neglecting to handle these risks could lead to serious consequences, such as causing fatal or life-altering injuries to our employees, subcontractors, external individuals, or the general public. Additionally, it could expose us to the possibility of legal action, substantial penalties, disqualification from tender participation, and damage to our reputation.	We have implemented comprehensive risk mitigation measures to ensure occupational health and safety. These include regular safety training programs, strict adherence to safety protocols, regular inspections. We prioritize the use of personal protective equipment (PPE), conduct risk assessments, and promote a culture of proactive reporting and continuous improvement.	Negative
4.	Corporate Governance and Business Ethics	Risk	Failure to adhere to the Code of Ethics may result from a lack of adherence to a risk compliance approach; an absence of a suitable corporate culture; a deficient training program and compliance monitoring; lack of a robust testing and monitoring regime; inadequate whistleblowing procedures and a lack of awareness about these channels across the organization; or deliberate or negligent non-compliance. Non-compliance with the Code of Ethics can leave the Group vulnerable to incidents of bribery and corruption, fraud, deception, false declarations or falsified accounting, unfair competitive practices, and violations of human rights such as child labour, illegal labour, etc. Such failures could trigger legal investigations or disputes, causing business disruptions, financial losses, hefty fines and penalties, reputational harm, and exclusion from future opportunities.	At our organization, we have robust policies and procedures in place to ensure effective risk mitigation and promote sound governance and business ethics. We adhere to strict regulatory standards, conduct regular audits, and maintain a strong compliance framework. Our employees are educated on ethical practices, and we foster a culture of transparency, accountability, and integrity across all levels of our organization.	Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Human Rights & Labour Conditions	Risk	Companies need to ensure that they are not indirectly involved in human rights abuses. Violations like poor working conditions, modern slavery, child labour, or environmental infractions at work locations/sites or by subcontractors or suppliers in our supply chain can inflict harm on individuals and the environment. Such transgressions can lead to reputational damage, a loss of trust in the Company's responsibility, and can result in fines, penalties, civil litigation, and criminal prosecution. It is essential for businesses to respect and support the principles of freedom of association and the effective recognition of the right to collective bargaining. Furthermore, businesses must actively work towards eliminating all forms of forced and compulsory labour.	We prioritize human rights and labour conditions by implementing comprehensive policies and practices that mitigate risks. Our organization strictly adheres to regulatory compliances and labour standards. We promote fair treatment, non-discrimination, safe working conditions, and provide appropriate training and support to our employees, ensuring their rights and well-being are upheld.	Negative
6.	Supply chain management	Risk	As a responsible business, it entails conducting operations in a fair and ethical manner, prioritizing integrity in decision-making, and establishing trust as a reliable partner within the supply chain. Sustainable supply chains are crucial in ensuring safe and equitable conditions for all stakeholders. Any disruptions or shortages of materials and labour can lead to both financial and non-financial repercussions, such as environmental or safety incidents, violations of human rights within the supply chain, compromised ability to meet customer expectations and project commitments, damage to reputation due to suppliers and subcontractors acting contrary to the Company's values, and potential fines, penalties, and lawsuits.	We have implemented various risk mitigation measures in our supply chain management to ensure operational efficiency. This includes establishing reliable supplier networks, and maintaining strong relationships. We have streamlined processes for timely supplies and inventory management, ensuring uninterrupted operations.	Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Waste & Hazardous Materials Management	Risk	One of the key areas of focus is the advancement of a circular model that emphasizes the reduction and optimization of material usage, as well as effective waste management. By optimizing resources, businesses can enhance operational and financial efficiency while simultaneously minimizing waste generation. Neglecting proper waste management practices can lead to inefficient utilization of raw materials and an escalation in production costs.	We prioritize proper waste management practices to mitigate risks associated with waste and materials management. Our organization has implemented protocols for the storage, handling, and disposal of waste. We ensure compliance with all applicable regulations and industry best practices.	Negative
8.	Water usage and management	Risk/Opportunity	<p>Risk: Water plays a vital role in construction activities and has significant implications for the environment throughout its extraction, usage, and discharge processes. Given the growing strain on water resources and the imperative to protect the natural environment, effective control and management of water resources have become crucial. Thus, it is essential to encourage the responsible and efficient use of water, along with the development of infrastructure that promotes its conservation in a sustainable and environmentally-friendly manner. Identifying and mitigating water-related risks, as well as implementing responsible management procedures, are necessary steps towards achieving these goals.</p> <p>Opportunity: Implementing effective water usage and management practices not only reduces costs but also mitigates the adverse effects of groundwater depletion and water pollution. By optimizing water utilization, businesses can achieve cost savings while simultaneously minimizing their contribution to the depletion of groundwater sources and pollution of water bodies.</p>	We understand the importance of water management and subsequently, the Company shall put in efforts for efficient water conservation techniques, monitor water consumption and to identify areas for improvement. Additionally, ensure compliance with environmental standards and minimizing water-related risks.	Negative/ Positive

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9.	Quality of Products and Project delivery	Opportunity	Quality serves as a crucial competitive advantage in the construction sector, which requires high levels of technical sophistication. Organizations must adhere to quality standards to effectively identify and fulfil customer needs and priorities. Failure to meet quality expectations or encountering issues related to customer health and safety can pose potential risks, including a decline in sales and damage to reputation.	-	Positive
10.	Customer Experience & Satisfaction	Risk	Establishing collaborative and enduring relationships with customers is the cornerstone of achieving success. The presence of customers and their acceptance of a business proposition are vital for its survival and sustainability. Any decline or cessation in customer demand can negatively impact the Company's revenue and profitability. Aligning delivery objectives with those of the customer is essential in ensuring favourable outcomes and maintaining customer satisfaction.	We prioritize risk mitigation in customer experience and satisfaction by ensuring the quality of our services. We closely align our processes and deliverables with customer expectations, striving for excellence in every aspect. We take proactive measures to address any issues promptly, provide timely and transparent communication, and make efforts towards early project delivery, all with the aim of exceeding customer satisfaction and building long-lasting relationships.	Negative
11.	Employee Engagement	Opportunity	Maintaining employee satisfaction is critical and a key aspect within a company's sphere of influence to sustain its capabilities. A team of talented and engaged employees, dedicated to upholding the Company's values, plays a crucial role in delivering on long-term strategies, achieving success, and effectively executing exciting projects while cultivating a positive work environment.		Positive

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12.	Community Engagement	Opportunity	The individuals directly or indirectly associated with the Company are valuable stakeholders. To foster a sustainable and mutually beneficial relationship with the community, organizations must adopt a collaborative approach guided by a clear vision. By actively listening to the needs of the community and leveraging the core business, companies can develop solutions that generate positive social impact.		Positive
13.	Environmental management and protection of biodiversity	Risk	Companies share a reciprocal relationship with the natural environment, relying on its resources while also having an impact on it. Consequently, it is imperative for companies to prioritize the mitigation of biodiversity and natural resource impacts throughout their projects and operations. Assessing ecosystem services that directly affect the Company is essential. Protecting and conserving biodiversity has emerged as a significant environmental challenge for businesses	We shall adopt the following measures for environmental management and protection of biodiversity. Mitigation measures will encompass sustainable land use practices, conservation efforts, pollution reduction, and the adoption of renewable energy sources.	Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.pncinfratech.com/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	-	ISO 9001: 2015	-	-	-	-	-	-	-
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.									
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable								

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

As an organization, we recognize the significance of building and nurturing strong relationships with our clients and strategic partners. Collaborative partnerships drive innovation and mutual success, and we are committed to fostering these connections. Maintaining performance efficiency and competitiveness across all our business activities is of utmost importance. We strive to deliver projects with excellence, meeting and exceeding expectations while adhering to stringent quality standards.

To sustain our growth trajectory, we will continue to strengthen our systems and internal processes. By investing in robust infrastructure and leveraging technology, we ensure streamlined operations and enhanced efficiency.

Our dedication to sustainability is steadfast, as we strive to embrace sustainable practices in all aspects of our operations. From minimizing our environmental footprint to upholding social responsibility, we are determined to leave a positive legacy for future generations. Moreover, we deeply value the well-being of our employees and are committed to promoting a safe working environment. Additionally, we actively contribute to community upliftment through our CSR projects, recognizing the importance of giving back and making a meaningful difference in the communities we serve.

Together, we can build a better, more sustainable future for all.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	DIN : 00086768 Name : Mr. Chakresh Kumar Jain Designation: Managing Director
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, Director DIN : 00086768 Name : Mr. Chakresh Kumar Jain Designation: Managing Director

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Director									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Director									Annually								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	No	No	No	No	No	No	No	No	No

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	6	<ul style="list-style-type: none"> Quarterly awareness programmes on amendments in Companies Act, 2013 and SEBI Regulations Familiarization Program on periodically basis to provide an opportunity to Independent Directors to interact with Senior Management and help them to understand the Companies strategy, business model, operations and all other areas and relevant issues. 	100% 100%
Employees other than BoD and KMPs	611	<ul style="list-style-type: none"> Fire Safety Drill Electrical Safety Awareness Waste management practice Environmental Management and other operational topics 	97%
Workers	NA	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Monetary					
Particulars	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil
Non-Monetary					
	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil		Nil	Nil
Punishment	Nil	Nil		Nil	Nil

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	Not Applicable

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

Yes, the Code of Conduct for Employees of the Company prohibits to conduct the business of the Company utilizing bribery or corruption.

A copy of the policy can be accessed at <https://www.pncinfratech.com/pdfs/code-of-conduct-for-employees.pdf>.

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

Particulars	FY 2022-23	FY 2021-22
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

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

Particulars	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Not Applicable

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	NA	0

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

Yes.
Our company adheres to strict compliance standards, including comprehensive corporate governance policies concerning the Board of Directors and Senior Management. These policies are explicitly outlined in our Code of Conduct policy and Related Party Transactions Policy. We are committed to upholding the highest levels of transparency, accountability, and ethical conduct in our corporate practices, ensuring the integrity of our operations.
The copy of the policy can be accessed at -
<https://www.pncinftratech.com/corporate-governance.html>

PRINCIPLE 2: Businesses Should Provide Goods and Services In A Manner That Is Sustainable And Safe

Essential Indicators

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

	Current Financial Year FY 2022-23	Previous Financial Year FY 2021-22	Details of improvements in environmental and social impacts
R&D	0	0	NA
Capex	0	0	NA

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)
b. If yes, what percentage of inputs were sourced sustainably?
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No

NA

The Company is not reclaiming products for reusing, recycling and disposing at the end of life.

Not Applicable

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

PRINCIPLE 3: Businesses Should Respect and Promote the well-being of all Employees, Including those in their value chains

Essential Indicators

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

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	8,292	496	5.98%	8,292	100%	N.A.	-	0	-	0	-
Female	28	5	17.86%	28	100%	2	7.14%	N.A.	-	0	-
Total	8,320	501	6.02%	8,320	100%	2	7.14%	0		0	
Other than Permanent Employees											
Male	1,523	0	-	0	-	0	-	0	-	0	-
Female	0	0	-	0	-	0	-	0	-	0	-
Total	1,523	0	-	0	-	0	-	0	-	0	-

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

% of workers covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	0	-	-	-	-	-	-	-	-	-	-
Female	0	-	-	-	-	-	-	-	-	-	-
Total	0	-	-	-	-	-	-	-	-	-	-
Other than Permanent workers											
Male	0	-	-	-	-	-	-	-	-	-	-
Female	0	-	-	-	-	-	-	-	-	-	-
Total	0	-	-	-	-	-	-	-	-	-	-

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

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	95%	-	Yes	94%	-	Yes
Gratuity	100%	-	Yes	100%	-	Yes
ESI	75%	-	Yes	70%	-	Yes
Others – Please Specify	-	-	-	-	-	-

Note : - Here Total Employees are referred to those employees only who are covered Under PF and ESIC as per Applicability of the Act and Ceiling wage limits defined under the Act.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.	Yes. At our organization, we firmly uphold the principle of non-discrimination and provide equal opportunities to all our employees. We are committed to supporting employees with disabilities and ensuring that their ability to work is not adversely affected in any way. We strive to create an inclusive environment that promotes the full participation and contribution of every individual, irrespective of any disability they may have.
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4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

As an organization, we strongly believe in and actively practice the values of equal opportunity. While we currently do not have a specific policy in place, our commitment to fairness, non-discrimination, and inclusivity remains unwavering. We strive to create an environment where everyone is treated with respect and given equal opportunities to thrive and succeed.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	-	-	-	-
Total	-	-	-	-

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not applicable
Other than Permanent Workers	Not applicable
Permanent Employees	At our organization, we place immense importance on the well-being and satisfaction of our employees. To ensure that their concerns are effectively addressed, we have implemented a robust system where all employee grievances are reported to our Human Resources (HR) department at the head office. This centralized approach allows us to maintain consistency and fairness in handling employee grievances. Our highly skilled HR professionals possess the necessary expertise to assess and resolve these matters promptly and in a confidential manner. By adopting this structured approach, we not only address individual concerns but also proactively identify any recurring issues. This empowers us to implement preventive measures and enhance the overall employee experience within our organization.
Other than Permanent Employees	

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

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association (s) or Union(D)	% (D/C)
Total Permanent Employees						
Male						
Female						
Total Permanent Workers						
Male						
Female						

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

8. Details of training given to employees and workers:

Category	FY 2022-23 (Current Financial Year)					FY 2021-22 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	9,815	8,936	91.04%	8,200	83.54%	8,761	8,712	99.44%	8,681	99.09%
Female	28	28	100%	24	85.71%	25	25	100%	25	100%
Total	9,843	8,964	91.07%	8,224	83.55%	8,786*	8,737	99.44%	8,706	99.09%
Workers										
Male	0	-	-	-	-	0	-	-	-	-
Female	0	-	-	-	-	0	-	-	-	-
Total	0	-	-	-	-	0	-	-	-	-

*For FY 2021-22 the data was reported for only permanent employees

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	8,292	8,292	100%	8,761	8,752	99.90%
Female	28	28	100%	25	23	92%
Total	8,320*	8,320	100%	8,786*	8,775	99.87%
Workers						
Male	0	-	-	0	-	-
Female	0	-	-	0	-	-
Total	0	-	-	0	-	-

*The data is reported for only permanent employees

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?	Yes
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	Our company has implemented a systematic risk management process to identify and control hazards across construction project sites, manufacturing units, industrial production facilities, and offices. All relevant stakeholders, including project engineers, supervisors, and team members, actively participate in thorough risk monitoring. By involving the appropriate individuals, we ensure a comprehensive approach to managing risks and maintaining a safe working environment.
c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)	Yes
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Safety Incident/Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.25	0.28
	Workers	-	-
Total recordable work-related injuries	Employees	6	7
	Workers	-	-
No. of fatalities	Employees	7	10
	Workers	-	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At PNC Infratech, we recognize that the health and safety of our workforce directly impact our internal stakeholders and, in turn, the output and delivery of our projects. Therefore, we prioritize maintaining a healthy and safe working environment. We proactively monitor for any gaps, regularly assess potential concerns, and promptly address them to ensure the well-being of our employees and the successful execution of our projects.

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

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

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

The Company assesses health and safety and working conditions at all its plants and offices at regular intervals

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

Not applicable

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

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.	PNC Infratech, a leading Indian infrastructure and construction company, categorizes stakeholders as groups capable of influencing the Company's objectives or those that could potentially be impacted by its operations. There are multiple stakeholders that can either influence or be influenced by PNC's strategic decisions and actions. The crucial task of identifying these stakeholders has been carried out meticulously by top management in collaboration with board members and various departments. Stakeholders are selected based on their potential to affect or be affected by the Company's operations. This selection encompasses both internal and external stakeholders pertinent to the organization. Interactions with some of these stakeholders occur on a daily basis. The organization's principal stakeholders encompass its employees and workers, investors and shareholders, regulatory bodies, suppliers/contractors and strategic partners, customers, and local communities.
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BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	A full range of communications channels, both digital and in-person <ul style="list-style-type: none"> - Website and Public reports - Intranet. - Workplace surveys - Corporate communications - Meetings - Notice Board 	Regular/ Continuous	<ul style="list-style-type: none"> - Promoting integrity, professionalism and respect. - Ensuring equal opportunities, diversity and inclusion. - Promoting a culture and corporate values - Ensuring the highest levels of occupational safety and health - Respect for Human Rights - Training and Development
Customers	No	<ul style="list-style-type: none"> - Website and public reports. - Corporate Emails, Channels for submitting complaints/claims - Social networks - press releases - Meetings with clients - Trade fairs and forums - Publication of relevant facts 	Frequent and need based	<ul style="list-style-type: none"> - Effective resolution of problems and incidents. - Ensuring the best technical and economic solutions. - Building stable, honest and trusted relationships. - Anticipating and tracking client needs. - Periodic measurement of satisfaction. - Ensure protection and confidentiality of information.
Shareholders and Investors	No	<ul style="list-style-type: none"> - Annual Reports - Newspaper advertisement - Shareholders' Meeting. - Investors section on the website, Investor Relation Dept/ Investor meetings/ calls/ conferences - press releases 	Need based and Quarterly calls	<ul style="list-style-type: none"> - Maximizing shareholder profitability. - Information transparency - Promotion of informed participation of Shareholders - Statutory Approvals

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers / Contractors and Strategic Partners	No	<ul style="list-style-type: none"> - Website and public reports. - Periodic Meetings 	Frequent and need based	<ul style="list-style-type: none"> - To ensure objective and impartial treatment in the selection of suppliers and contractors. - Responsible and sustainable management of the supply chain. - Compliance with supplier and subcontractor management rules and systems
Regulatory Bodies	No	<ul style="list-style-type: none"> - E-mails, - Official Communication/ letters, - representations, meetings, - Participation in forums and events etc. 	Need Based	<ul style="list-style-type: none"> - Promoting fairness in relationships by fostering equitable competition and responsible utilization of public resources to uphold integrity and transparency. - Compliance/ approvals/ permissions, etc
Local Communities	No	<ul style="list-style-type: none"> - Directly or through CSR implementation - Website/ public reports - Press Articles and Social Network 	Need Based	<ul style="list-style-type: none"> - To promote the economic and social development - To drive forward the business and its sustainability - To improve the Company's prestige and reputation - Social responsibilities in areas like animal welfare, healthcare, poverty and malnutrition, environment sustainability, promoting education, art and culture, sports culture etc

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

PRINCIPLE 5: Businesses Should Respect and Promote Human Rights

Essential Indicators

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

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	8,320	8,320	100%	8,786	8,786	100%
Other than permanent	1,523	1,523	100%	1,762	1,762	100%
Total Employees	9,843	9,843	100%	10,548	10,548	100%
Workers						
Permanent	0	-	-	0	-	-
Other than permanent	0	-	-	0	-	-
Total Workers	0	-	-	0	-	-

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

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	8,320	0	-	8,320	100%	8,786	0	-	8,786	100%
Male	8,292	0	-	8,292	100%	8,761	0	-	8,761	100%
Female	28	0	-	28	100%	25	0	-	25	100%
Other than Permanent	1,523	0	-	1,523	100%	1,762	0	-	1,762	100%
Male	1,523	0	-	1,523	100%	1,762	0	-	1,762	100%
Female	0	0	-	0	100%	0	0	-	0	100%
Workers										
Permanent	0	-	-	-	-	0	-	-	-	-
Male	0	-	-	-	-	0	-	-	-	-
Female	0	-	-	-	-	0	-	-	-	-
Other than Permanent	0	-	-	-	-	0	-	-	-	-
Male	0	-	-	-	-	0	-	-	-	-
Female	0	-	-	-	-	0	-	-	-	-

*Not applicable as all employees are paid above minimum wages

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5*	₹ 25,85,000/-	-	NA**
Key Managerial Personnel	7***	₹ 8,67,185/-	0	N.A.
Employees other than BoD and KMP	8,290	₹ 20,500/-	28	₹ 43,333.5/-
Workers	0	N.A.	0	N.A.

*Here, Board of Directors includes only Executive Directors as others are Independent Directors who received sitting fees only;

**We have one female Independent Director, hence median remuneration is not applicable

***KMP includes Managing Director, Whole-Time Director, Company Secretary and Chief Financial Officer

Note: Remuneration includes only Basic Salary and Median is calculated for Monthly Salary only.

4. Do you have a focal point (Individual Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)	At our organization, we hold a strong commitment to respecting human rights values. In the event of any suspected violation of unethical behaviour, it is expected that employees promptly communicate such concerns to their respective reporting officer/ manager, who serves as the designated senior management personnel. This process ensures swift reporting and appropriate action to address any potential breaches of our ethical code.
5. Describe the internal mechanisms in place to redress grievances related to human rights issues.	In our organization, we prioritize upholding human rights values and ensuring their protection. If any individual encounters a human rights-related issue, they can directly contact the Head of Department, respective site/project manager, or designated personnel. We are committed to addressing such concerns promptly and taking necessary actions to safeguard human rights within our organization and its operations.

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

Category	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.	To ensure the well-being and protection of complainants, our organization has implemented policies and procedures to prevent adverse consequences in discrimination and harassment cases. We have established a Vigil (Whistleblower) Mechanism that serves as a confidential channel for employees and directors to report genuine concerns regarding unethical behaviour, suspected fraud, or violations of our Codes of Conduct and policies. This mechanism enables individuals to come forward without fear of reprisal, ensuring a safe and transparent environment for all stakeholders.
8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)	No

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

9. Assessments for the year:

	% age of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

The Company ensures and assesses that all its plants and offices comply with fair labour practices.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

PRINCIPLE 6: Businesses Should Respect and Make Efforts to Protect And Restore The Environment

Essential Indicators

1. Details of total energy consumption (in Giga Joules) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	30,507.77Giga Joules	26,318.38Giga Joules
Total fuel consumption (B)	35,96,675.99Giga Joules	45,70,814.53Giga Joules
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	36,27,183.76Giga Joules	45,97,132.91Giga Joules
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	0.00005109 GJ/₹	0.00007228 GJ/₹
Energy intensity (optional) – therelevant metric may be selected by the entity		
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No independent assessment done

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)	-	-
(i) Surface water	3,88,310.00 KL	4,07,098 KL
(ii) Groundwater	34,94,794.00 KL	36,63,886.00 KL
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	38,83,104.00 KL	40,70,984.00 KL
Total volume of water consumption (in kilolitres)	38,83,104.00 KL	40,70,984.00 KL
Water intensity per rupee of turnover (Water consumed / turnover)	0.00005470 KL/₹	0.00006401 KL/₹
Water intensity (optional) – the relevant metric may be selected by the entity		
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No independent assessment done

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
Nox	Tons/Year	30.22	24.06
Sox	Tons/Year	5.81	4.63
Particulate matter (PM)	Tons/Year	9.53	7.59
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others– please specify	-	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			No

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2,33,171.83	2,94,894.59
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	6,864.25	5,921.63
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.00000338MT/₹	0.00000473 MT/₹
Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity			
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	286.6 MT	270.50 MT
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	4,300.50 MT	5,265.00 MT
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H)	-	-
Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	4,587.10 MT	5,535.50 MT

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	FY 2022-23	FY 2021-22
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled		
(ii) Re-used	4,567.21 MT	5,527.92 MT
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations	19.88 MT	7.58 MT
Total		
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Hazardous waste & chemicals are stored as per Hazardous and other Wastes (Management & Trans boundary Movement) Rules, 2016 & Manufacture, Storage and import of Hazardous Chemical Rules, 1989.

Hazardous waste/chemical is segregated from other waste in a separate room include stored in containers with sealed to prevent leakage or spillage & also with labelled with hazardous chemical waste tags. Most of the waste are reused at project site & sold to the authorized vendor for recycle & provide to all employee regarding proper, storage, handing of hazardous waste & chemicals.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
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NIL

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
None	-	-	-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is compliant with the applicable environmental laws/ regulations/ guidelines in India.

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	0	0
From non-renewable sources		
Total electricity consumption (D)	30,507.77 Giga Joules	26,318.38 Giga Joules
Total fuel consumption (E)	35,96,675.99 Giga Joules	45,70,814.53 Giga Joules
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	36,27,183.76 Giga Joules	45,97,132.91 Giga Joules
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area : Not Applicable
- Nature of operations: Not Applicable
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	3,88,310 KL	4,07,098 KL
(ii) Groundwater	34,94,794 KL	36,63,886 KL
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)	38,83,104 KL	40,70,984 KL
Total volume of water consumption (in kilolitres)	38,83,104 KL	40,70,984 KL
Water intensity per rupee of turnover (Water consumed / turnover)	0.00005470 KL/₹	0.00006401 KL/₹
Water intensity (optional) – the relevant metric may be selected by the entity		

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NIL	
- No treatment		
-With treatment-please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
-With treatment-please specify level of treatment		
(iii) Into Seawater		
- No treatment		
-With treatment-please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
-With treatment-please specify level of treatment		
(v) Others	NIL	
- No treatment		
-With treatment-please specify level of treatment		
Total water discharged (in kilolitres)		
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.	Yes. The Company has multiple project sites and ensures that isolated incidents do not impact the project schedule and there is enough buffer built-in for the timelines. The company also works on the operational procedures wherever practical and possible to ensure that the issues at one location don't impact others. Further, in case of any disaster/ force majeure condition at one of the locations, the Company, in addition to the production facilities, has other locations from where the work/business can commence. The company has policy of making the employees aware of the procedures so that in consultation with the management, critical processes can be restored quickly and the work can commence without significant impact.
8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.	Not applicable
9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.	Not applicable

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

PRINCIPLE 7: Businesses, When Engaging in Influencing Public and Regulatory Policy, Should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.** 4
- b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	National Highway Builders Federation	National
2	Federation of Indian Chamber of Commerce	National
3	Confederation of Indian Industry	National
4	India Infrastructure Forum	National

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

PRINCIPLE 8: Businesses Should Promote Inclusive Growth and Equitable Development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes /No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
1	NIL					

3. **Describe the mechanisms to receive and redress grievances of the community.**

At our organization, we prioritize the resolution of community grievances through a systematic approach. To achieve this, we have established a process where all grievances are reported directly to our Human Resources (HR) department at the head office. This centralized reporting ensures that every concern is properly documented and given the necessary attention. By involving our HR professionals, who are trained in handling such matters, we can ensure a fair and efficient redressal process. This structured system allows us to address community grievances promptly, maintain transparency, and work towards fostering a harmonious relationship with the community we serve.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2022-2023	FY 2021-2022
Directly sourced from MSMEs/ small producers	11.32	6.23
Sourced directly from within the district and neighbouring districts	41.68	41.81

Leadership Indicators**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational District	Amount spent (In ₹)
1	Madhya Pradesh	Damoh	85,00,000/-
2	Jharkhand Bihar	Ranchi Aurangabad	2,70,72,000/-

PRINCIPLE 9: Businesses Should Engage With and Provide Value To Their Consumers In A Responsible Manner**Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Our organization has established channels for addressing consumer complaints and feedback, such as dedicated email addresses and helplines, to receive complaints. Our team promptly reviews and acknowledges each complaint, and takes necessary actions to resolve issues while keeping the consumer informed throughout the process.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

3. Number of consumer complaints in respect of the following:

	FY 2022-2023		Remarks	FY 2021-2022		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes
<https://www.indiamart.com/privacy-policy.html>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not applicable

Leadership Indicators

1 Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

<https://www.pncinfratech.com/>

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To
the Members of
PNC INFRA TECH LIMITED

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **PNC INFRA TECH LIMITED** ("the Company"), which comprise the standalone balance sheet as at March 31, 2023, the standalone statement of profit and loss including other comprehensive income, the standalone statement of changes in equity and the standalone statement of cash flows for the year ended on that date, and notes to the standalone financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
<p>(1) Revenue Recognition for Construction contracts</p> <p>The Company generates significant revenue from construction contracts and long-term operating and maintenance agreements. Revenue from these contracts is recognized over the period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. For majority of its contracts, the Company recognizes revenue and profit on the stage of completion based on the proportion of contract costs incurred for the work performed to the balance sheet date, relative to the estimated costs on the contract at completion.</p> <p>This method requires the Company to perform an initial assessment of total estimated cost and reassess the total construction cost at each reporting period end to determine the appropriate percentage of completion.</p> <p>The recognition of revenue and profit / loss therefore are based on estimates in relation to the estimated total costs of each contract, which involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance completed, scope amendments and price escalations resulting in revised contract price.</p> <p>Refer Note 2.10 and Note 31 of the standalone financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Understood and evaluated the design and tested the operating effectiveness of key internal financial controls, including those related to review and approval of estimated project cost and review of provision for estimated loss by the authorised representatives. Obtained an understanding of company's revenue recognition policies and reviewed compliance in terms of provisions of Ind-AS 115. Performed assessment that the revenue recognition method applied was appropriate based on the terms of the arrangement and contract; For a sample of contracts, we obtained the percentage of completion calculations, agreed key contractual terms to the signed contracts, tested the mathematical accuracy of the cost to complete calculations and re-performed the calculation of revenue recognized during the year based on the percentage of completion. Obtained an understanding of the revenue recognition processes including documentation maintained and tested key internal controls impacting revenue, on sample basis; Assessed the reliability of management's estimates by comparing the actual outcome of completed projects with previous estimated timelines;

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key Audit Matter	How our audit addressed the key audit matter
<p>(2) Litigations Matters & Contingent liabilities (as described in note 40 of the standalone financial statements)</p> <p>The Company is subject to claims and litigations. Major risks identified by the Company in that area relate to claims against the Company and taxation matters. The amounts of claims and litigations may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant management judgment.</p> <p>Due to complexity involved in these litigation matters, management's judgment regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined and it has been considered as a key audit matter.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> Assessing the procedures implemented by the Company to identify the risks it is exposed to. Discussion with the management on the development in these litigations during the year ended March 31, 2023. Obtaining an understanding of the risk analysis performed by the Company, with the relating supporting documentation and studying written statements from internal/ external legal experts, when applicable. Verification that the accounting and/ or disclosures as the case may be in the standalone financial statements is in accordance with the assessment of legal counsel/ management. Obtaining representation letter from the management on the assessment of those matters as per SA 580 (revised)-written representations.

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the

provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

OTHER MATTER

We did not audit the Statement include the audited standalone financial statements of three joint operations, whose standalone financial statements reflect total assets of Rs.73,913.89 lakhs as at March 31, 2023, total revenue of Rs.1,29,438.62 lakhs, total net profit after tax of Rs.32.33 lakhs and total comprehensive income of Rs.32.33 lakhs for the year ended March 31, 2023 and net cash inflows of Rs.3,436.93 lakhs for the year ended on that date. The standalone financial statements of joint operations have been audited by the other auditors whose reports have been furnished to us by the management and our conclusion on the statement, in so far as it relates to the amount and disclosures included in respect of joint operations, is based solely on the report of such other auditors and the procedures performed by us as stated in the paragraph above. The above figures are before the consolidation adjustments.

Our opinion on the standalone financial statements and our report on other legal and regulatory requirement below, are not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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 Section 143(11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements 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 the requirements of Section 197(16) of the Act, as amended:

In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / payable by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.

- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2023 on its financial position in its financial statement - Refer note 40 to the standalone financial statements.
 - ii. The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivatives contracts.
 - iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) Management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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;

- (b) Management has represented to us that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) 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;
 - (c) Based on our audit procedures conducted that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that cause us to believe that the representation under sub-clause (a) & (b) contain any material misstatement.
- v As states in note 19 to the standalone financial statements:
- (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123, as applicable.
 - (b) The Board of Director of the Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act, as applicable.

For **NSBP & Co.**
Chartered Accountants
Firm's Registration Number: 001075N

Subodh Kumar Modi
Partner

Place: Agra
Date: May 26, 2023

Membership Number: 093684
UDIN: 23093684BGXGSX6999

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF PNC INFRA TECH LIMITED (‘THE COMPANY’)

Report on the matters specified in paragraph 3 of the Companies (Auditor’s Report) Order, 2020 (‘the Order’) issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013 (‘the Act’) as referred to in paragraph 1 of ‘Report on Other Legal and Regulatory Requirements’ of our report of even date

In terms of the information and explanation sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management according to the programme of periodical verification in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its Property, Plant and Equipment. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us in respect of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in note 4 to the

standalone financial statements are in the name of the Company.

- (d) The Company has not revalued its Property, Plant and Equipment or Intangible Assets during the year.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The management has conducted physical verification of inventory at reasonable interval during the year except for inventory of stone, grit and sand for which stock is taken on estimation basis and for the stock in transit. In our opinion, the coverage and procedures of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and during the year on the basis of security of current assets of the Company. The quarterly returns/ statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- iii (a) During the year, the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, limited liability partnerships or any other parties as follows:

Rs. In Lakhs

Particulars	Guarantees	Securities	Loan	Advances in the nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiaries	-	-	29,538.00	-
- Others	104,197.59	-	-	-
Balance outstanding as at balance sheet date in respect of above cases (net of impairment provision)				
- Subsidiaries	-	-	74,422.00	-
- Others	282,324.68	-	-	-

- (b) In our opinion and according to information and explanations given us and on the basis of our audit procedures, the investments made, guarantee provided, security given and the terms and conditions of all loans and advances in the nature of loans and guarantee provided during the year are, prima facie, not prejudicial to the Company’s interest.
- (c) According to the books of accounts and records examined by us, the Company has

granted unsecured interest free loans to the subsidiary companies and repayment of principal is regular where stipulated in the agreement. Further, the Company has not given any advance in the nature of loan to any party during the year.

- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans and advances in the nature of loans granted to companies,

"Annexure A" to the Independent Auditor's Report to the members of PNC Infratech Limited ('the Company') (Contd.)

firms, limited liability partnerships or any other parties, there are no amounts which are overdue for more than ninety days.

- (e) In our opinion and according to the information and explanations given and books of accounts and records examined by us, there were no loans or advances in the nature of loan granted to companies, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans, investment, guarantee and securities, as applicable.
- v. According to the information and explanation given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules made by the Central Government of India for maintenance of cost records under Section 148(1) of the Companies Act, 2013 related to its products and are of the opinion that, prima facie, the prescribed records have been made and maintained. However, we have not carried out a detailed examination of such records with a view to determine whether they are accurate and complete.
- vii. (a) According to the information and explanation given to us, the Company has generally been regular in depositing its undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable in arrear, as at March 31, 2023, for a period of more than six months from the date they became payable.
- (b) The details of statutory dues referred to in clause 3(vii)(b) above which have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount Involved (Rs. in Lakhs)	Period to which the Amount Relates	Forum where dispute is pending
UP VAT Act, 2007	Value Added Tax	38.10	2006-07	Commercial Tax, Agra
		877.36	2016-17	Additional Commissioner, Grade II, Agra
		782.02	2017-18	Additional Commissioner, Grade II, Agra
UP Entry Tax Act, 2007	UP Entry Tax Act	1.94	2016-17	Additional Commissioner, Grade II, Agra
		20.08	2016-17	Additional Commissioner, Grade II, Agra
Uttarakhand VAT Act, 2005	Value Added Tax	87.74	2013-14	Joint Commissioner (appeals), Haldwani
		76.35	2014-15	Joint Commissioner (appeals), Haldwani
Income Tax Act, 1961	Income Tax	645.81	2010-11	Allahabad High Court
JGST Act, 2017	Goods and Service Tax	7.57	2018-19	Assessing Officer, GST

"Annexure A" to the Independent Auditor's Report to the members of PNC Infratech Limited ('the Company') (Contd.)

- viii. According to the information and explanation given to us, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) According to the information and explanation given to us and as per the books of accounts examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanation given to us and as per the books of accounts examined by us, the Company has not been declared wilful defaulter by any bank, financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, prima facie, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) According to the information and explanation given to us and as per the books of accounts examined by us, the Company has not raised any money during the year by way of initial public offer/ further public offer (including debt instruments), hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanation given to us and as per the books of accounts examined by us, the Company has not made any preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures during the year and, hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) During the course of our examination of books and records of the Company carried out in accordance with generally accepted auditing practice in India, and according to the information and explanation given to us, we have neither come across any instance of fraud by the Company or on the Company noticed or reported during the year, nor have been informed of any such cases by the management.
- (b) No report under Sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, as amended with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- xiii. According to the information and explanation given to us and as per the books of accounts examined by us, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details have been disclosed in the standalone financial statements as required by applicable accounting standards.
- xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with its directors hence, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the Core Investment Companies

"Annexure A" to the Independent Auditor's Report to the members of PNC Infratech Limited ('the Company') (Contd.)

(Reserve Bank) Directions, 2016. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

- (d) In our opinion and based on the representation received from the management, there is no Core Investment Company as a part of the Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not incurred cash losses in the current financial year and immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 60 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that

the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013, in compliance with second proviso to Sub-section (5) of Section 135 of the Companies Act, 2013.
- (b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of Sub-section (6) of Section 135 of Act.

For **NSBP & Co.**
Chartered Accountants
Firm's Registration Number: 001075N

Subodh Kumar Modi
Partner

Place: Agra
Date: May 26, 2023

Membership Number: 093684
UDIN: 23093684BGXGSX6999

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF PNC INFRA TECH LIMITED (‘THE COMPANY’)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’) and referred to in paragraph 2(f) of ‘Report on Other Legal and Regulatory Requirements’ of our report of even date

We have audited the internal financial controls over financial reporting of PNC Infratech Limited (“the Company”) as of March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, to the extent applicable to an audit of Internal Financial Controls both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the standalone financial

statements and their operating effectiveness. Our audit of internal financial controls with reference to the standalone financial statements included obtaining an understanding of internal financial controls with reference to the standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to the standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls

"Annexure B" to the Independent Auditor's Report to the members of PNC Infratech Limited ('the Company') (Contd.)

with reference to the standalone financial statements to future periods are subject to the risk that the internal financial control with reference to the standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statement and such internal controls with reference to the standalone financial statements were operating effectively as at March 31, 2023, based on the internal financial 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 ICAI.

For **NSBP & Co.**
Chartered Accountants
Firm's Registration Number: 001075N

Subodh Kumar Modi

Partner

Place: Agra
Date: May 26, 2023

Membership Number: 093684
UDIN: 23093684BGXGSX6999

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2023

(₹ In Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
I ASSETS			
1 Non Current Assets			
(a) Property, plant and equipment	4	52,186.91	57,372.90
(b) Right-of-use assets	4	948.71	1,383.49
(c) Capital work-in-progress	5	-	-
(d) Intangible asset	6	318.39	179.51
(e) Financial assets			
(i) Investments	7	1,03,470.94	87,118.45
(ii) Loans	8	65,587.00	48,949.00
(iii) Other financial assets	9	7,449.39	8,055.43
(f) Deferred tax assets(net)	10	2,395.84	1,516.27
(g) Other non-current assets	11	26,279.43	31,937.51
Total Non Current Assets		2,58,636.61	2,36,512.56
2 Current Assets			
(a) Inventories	12	76,439.28	48,078.88
(b) Financial assets			
(i) Trade receivables	13	1,90,551.29	1,27,281.78
(ii) Cash and cash equivalents	14 (i)	29,278.57	40,684.20
(iii) Bank balances other than (ii) above	14 (ii)	8,060.99	12,085.81
(iv) Loans	15	8,835.00	30,637.00
(v) Other financial assets	16	8,553.21	14,709.44
(c) Other Current Assets	17	26,691.36	20,147.65
		3,48,409.70	2,93,624.76
Assets classified as held for sale	53	-	75.58
Total Current Assets		3,48,409.70	2,93,700.34
Total Assets		6,07,046.31	5,30,212.90
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	18	5,130.78	5,130.78
(b) Other equity	19	3,89,025.41	3,28,890.55
Total Equity		3,94,156.19	3,34,021.33
Liabilities			
2 Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	6,000.91	12,923.91
(ii) Lease liabilities	21	689.40	1,048.33
(iii) Other financial liabilities	22	37,567.62	33,257.47
(b) Provisions	23	2,077.87	1,914.98
(c) Other non-current liabilities	24	23,057.89	38,936.55
Total Non Current Liabilities		69,393.69	88,081.24
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	38,995.34	8,654.43
(ii) Lease Liabilities	26	328.34	362.10
(iii) Trade Payables	27		
(a) Dues of micro and small enterprises		12,927.24	4,384.67
(b) Dues of creditor other than micro and small Enterprises		54,973.44	46,370.37
(iv) Other Financial Liabilities	28	22,999.14	21,649.26
(b) Other Current Liabilities	29	11,886.26	26,528.16
(c) Provisions	30	1,386.67	161.34
Total Current Liabilities		1,43,496.43	1,08,110.33
Total Equity & Liabilities		6,07,046.31	5,30,212.90

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **NSBP & Co.**

Chartered Accountants

Firm Registration No. 001075N

Sd/-

Subodh Kumar Modi

Partner

Membership No: 093684

Place: Agra

Date: May 26, 2023

For and on behalf of the Board of Directors of

PNC Infratech Limited

Sd/-

Pradeep Kumar Jain

Chairman and Managing Director

DIN: 00086653

Place: Agra

Date: May 26, 2023

Sd/-

Chakresh Kumar Jain

Managing Director

DIN: 00086768

Place: Agra

Date: May 26, 2023

Sd/-

Tapan Jain

Company Secretary

Place: Agra

Date: May 26, 2023

Sd/-

Bhupinder Kumar Sawhney

Chief Financial Officer

Place: Agra

Date: May 26, 2023

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

(₹ In lakhs)

Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
INCOME			
I Revenue from operations	31	7,06,083.99	6,30,550.34
II Other income	32	3,827.38	5,423.59
III Total Income (I+II)		7,09,911.37	6,35,973.93
IV Expenses			
Cost of materials consumed	33	3,34,374.66	3,19,307.28
Employee benefit expense	34	33,588.10	34,197.73
Finance cost	35	6,380.18	8,014.55
Depreciation and amortisation expenses	36	10,999.74	12,991.01
Other expenses	37	2,42,732.97	1,98,320.69
Total Expenses (IV)		6,28,075.65	5,72,831.26
V Profit before tax (III-IV)		81,835.72	63,142.67
VI Tax expense :			
Current tax	38	21,638.77	17,513.85
Taxes for earlier years		20.04	-
Deferred tax charge/(credit)		(970.45)	845.70
VII Profit for the year (V-VI)		61,147.36	44,783.12
VIII Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
- Actuarial gain/ (loss) on defined benefit plans		361.08	(435.82)
(ii) Income tax relating to items that will not be reclassified		(90.88)	109.69
IX Total Comprehensive Income for the year (VII + VIII)		61,417.56	44,456.99
Earning per equity share of ₹ 2 each			
Basic & Diluted	39	23.84	17.46

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached

For **NSBP & Co.**

Chartered Accountants

Firm Registration No. 001075N

Sd/-
Subodh Kumar Modi
Partner

Membership No: 093684

Place: Agra

Date: May 26, 2023

**For and on behalf of the Board of Directors of
PNC Infratech Limited**

Sd/-
Pradeep Kumar Jain
Chairman and Managing
Director

DIN: 00086653

Place: Agra

Date: May 26, 2023

Sd/-
Chakresh Kumar Jain
Managing Director

DIN: 00086768

Place: Agra

Date: May 26, 2023

Sd/-
Tapan Jain
Company Secretary

Place: Agra

Date: May 26, 2023

Sd/-
Bhupinder Kumar Sawhney
Chief Financial Officer

Place: Agra

Date: May 26, 2023

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(₹ In lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
I A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the period	81,835.72	63,142.67
Adjustment for:		
Add/(Less):		
Finance costs	6,380.18	8,014.55
Loss/(profit) on sale of property, plant & equipment (net)	19.00	(33.70)
Loss/(profit) on lease modification/ cancellation	(6.83)	-
Loss/(Profit) on sale of investments (net)	(20.49)	-
Loss/ (gain) on foreign exchange fluctuations (net)	1.43	(40.00)
Interest income	(800.30)	(1,531.06)
Loss/ (profit) on fair valuation of units of mutual fund (net)	-	48.61
Loss/(profit) on redemption of units of mutual fund (net)	(669.53)	(1,018.67)
Provision for gratuity & leave liability	746.73	574.40
Impairment loss on trade receivable	-	3,172.74
Impairment loss on unsecured loan	-	6,942.56
Impairment loss on investment	-	2,856.82
Allowance for expected credit loss	1,320.45	698.77
Depreciation and amortisation expenses	10,999.74	12,991.01
Operating profit before working capital changes	99,806.10	95,818.70
Working capital adjustments:		
(Increase)/decrease in inventories	(28,360.40)	(12,719.40)
Increase/(decrease) in trade payables	17,145.64	(21,185.22)
Increase/(decrease) in other current liabilities	(13,327.21)	10,242.07
Increase/(decrease) in non-current liabilities	(11,449.05)	31,382.35
Increase/(decrease) in provisions	1,002.57	(1,315.87)
(Increase)/decrease in trade receivables	(63,405.20)	(47,228.63)
(Increase)/decrease in non-current assets	6,301.73	(1,638.93)
(Increase)/decrease in current assets	(1,385.48)	(5,055.80)
Cash generated from/(used) operating activities	6,328.70	48,299.27
Direct taxes paid	(21,658.81)	(17,513.85)
Net cash generated from/(used) operating activities before exceptional items	(15,330.11)	30,785.42
Exceptional item	-	-
Net cash generated from/(used) operating activities	(15,330.11)	30,785.42
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment, CWIP & intangible assets	(6,247.36)	(7,546.22)
Disposal of property, plant & equipment & intangible assets	724.58	2,086.56
Loans given	(29,538.00)	(23,019.00)
Loans received back	34,702.00	4,784.63
Investment in subsidiary companies	(16,353.01)	(15,401.00)
Proceeds from sale of investment in subsidiary/ associates companies	96.58	-
Purchase of mutual fund	(2,52,746.29)	(2,13,309.23)
Proceeds from sale of mutual fund	2,53,415.82	2,24,327.90
Proceeds from/ (Investment) in term deposit & others bank balance	4,024.82	(4,032.42)
Interest income	568.70	1,275.63
Net cash generated from/(used) investing activities	(11,352.16)	(30,833.15)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from term loan borrowings	1,602.06	4,786.17
(Repayment) of term loan borrowings	(9,897.67)	(23,131.56)
Proceeds/ (repayment) of unsecured demand loans (net)	11,307.73	-
Proceeds/ (repayment) of working capital loans from bank (net)	20,021.88	-

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ In lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Proceeds/ (repayment) from buyers credit loans from bank (net)	383.91	-
Dividend paid	(1,282.70)	(1,282.70)
Lease payment including interest	(478.39)	(397.06)
Interest expenses	(6,380.18)	(8,014.55)
Net cash generated from/ (used) financing activities	15,276.64	(28,039.70)
Net change in cash & cash equivalents	(11,405.63)	(28,087.43)
Cash and cash equivalents at the beginning of the year	40,684.20	68,771.63
Cash & cash equivalents at the end of the year	29,278.57	40,684.20
II Cash & cash equivalents included in cash flow statement comprise of following (refer note no. 14(i))		
Balances with banks		
In Bank accounts	24,155.09	32,004.41
In Fixed deposits accounts	5,003.45	8,503.32
Cash on hand	120.03	176.47
	29,278.57	40,684.20

III Reconciliation of liabilities arising from financing activities

Particulars	As at March 31, 2022	Cash Flow	Non Cash Change	As at March 31, 2023
Non Current Borrowing (including current maturities and interest)	21,578.34	(8,295.61)	-	13,282.73
Current Borrowing (including interest)	-	31,709.89	3.63	31,713.52
Lease liability	1,410.43	(478.39)	85.70	1,017.74

Particulars	As at March 31, 2021	Cash Flow	Non Cash Change	As at March 31, 2022
Non Current Borrowing (including current maturities and interest)	39,923.73	(18,345.39)	-	21,578.34
Current Borrowing (including interest)	-	-	-	-
Lease liability	368.68	(397.06)	1,438.81	1,410.43

- (i) The above standalone statement of cash flow has been prepared under the "Indirect method" as set out in Ind AS-7
(ii) Figures in bracket indicate cash outflow

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
For **NSBP & Co.**
Chartered Accountants
Firm Registration No. 001075N

For and on behalf of the Board of Directors of
PNC Infratech Limited

Sd/-
Subodh Kumar Modi
Partner
Membership No: 093684
Place: Agra
Date: May 26, 2023

Sd/-
Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653
Place: Agra
Date: May 26, 2023

Sd/-
Chakresh Kumar Jain
Managing Director
DIN: 00086768
Place: Agra
Date: May 26, 2023

Sd/-
Tapan Jain
Company Secretary
Place: Agra
Date: May 26, 2023

Sd/-
Bhupinder Kumar Sawhney
Chief Financial Officer
Place: Agra
Date: May 26, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. EQUITY SHARE CAPITAL

Equity share of ₹ 2 each issued ,subscribed & fully paid up (refer note 18)

(₹ In lakhs)

Particulars	No of Shares	Amount
As at April 01, 2021	25,65,39,165	5,130.78
Add/ (Less) : Changes in equity share capital during FY 2021-22	-	-
As at March 31, 2022	25,65,39,165	5,130.78
As at April 01, 2022	25,65,39,165	5,130.78
Add/ (Less) : Changes in equity share capital during FY 2022-23	-	-
As at March 31, 2023	25,65,39,165	5,130.78

B. OTHER EQUITY

(₹ In lakhs)

Particulars	Reserves & Surplus			Total
	Securities Premium (refer note 19)	General Reserve (refer note 19)	Retained Earnings (refer note 19)	
Balance as at April 1, 2021	59,009.66	128.96	2,26,577.64	2,85,716.26
Profit for the year	-	-	44,783.12	44,783.12
Other Comprehensive Income/ (Loss)				
Remeasurements gain/ (loss) of defined benefit obligation (net of taxes)	-	-	(326.13)	(326.13)
Total comprehensive income for the year	-	-	44,456.99	44,456.99
Transaction with owners in the capacity of owners				
Dividend Paid	-	-	1,282.70	1,282.70
Interim Dividend Paid	-	-	-	-
Balance as at March 31, 2022	59,009.66	128.96	2,69,751.93	3,28,890.55
Balance as at April 01, 2022	59,009.66	128.96	2,69,751.93	3,28,890.55
Profit for the year	-	-	61,147.36	61,147.36
Other Comprehensive Income/ (Loss)				
Remeasurements gain/ (loss) of defined benefit obligation (net of taxes)	-	-	270.20	270.20
Total comprehensive income for the year	-	-	61,417.56	61,417.56
Transaction with owners in the capacity of owners				
Dividend Paid	-	-	1,282.70	1,282.70
Interim Dividend Paid	-	-	-	-
Balance as at March 31, 2023	59,009.66	128.96	3,29,886.79	3,89,025.41

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date attached
For **NSBP & Co.**
Chartered Accountants
Firm Registration No. 001075N

For and on behalf of the Board of Directors of
PNC Infratech Limited

Sd/-
Subodh Kumar Modi
Partner
Membership No: 093684
Place: Agra
Date: May 26, 2023

Sd/-
Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653
Place: Agra
Date: May 26, 2023

Sd/-
Chakresh Kumar Jain
Managing Director
DIN: 00086768
Place: Agra
Date: May 26, 2023

Sd/-
Tapan Jain
Company Secretary
Place: Agra
Date: May 26, 2023

Sd/-
Bhupinder Kumar Sawhney
Chief Financial Officer
Place: Agra
Date: May 26, 2023

NOTES TO STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

1. COMPANY OVERVIEW:

PNC Infratech Limited was incorporated on August 09, 1999 as PNC Construction Company Private Limited. The Company was converted into a limited company in 2001 and was renamed PNC Infratech limited in 2007. The Company is listed with National Stock Exchange and Bombay Stock Exchange.

The Company is engaged in India's infrastructure development through the construction of highways including BOT (built, operate and transfer projects), HAM (Hybrid Annuity Model), Airport Runways, Bridges, Flyovers and Power Transmission projects, Water supply project among others.

In case of BOT and HAM, the Company bid as a sponsor either alone or in the joint venture with other venturer and once the project is awarded then it is executed by incorporating a company (special purpose vehicle).

The Company's registered office is located in New Delhi, corporate office in Agra and operations are spread across Haryana, Karnataka, Madhya Pradesh, Maharashtra, Andhra Pradesh, Rajasthan, Uttar Pradesh, Uttarakhand, Gujarat, Delhi and Bihar among others.

The Company is ISO 9001:2008-certified, awarded 'SS' (Super Special) class from the Military Engineering Services as well as appreciation from NHA and the Military Engineer Services, Ministry of Defence.

The Standalone financial statements were authorised for issue in accordance with the resolution of the directors on May 26, 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of Preparation

The Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company, with effect from April 01, 2016, has adopted Indian Accounting Standards (the 'Ind AS') notified under the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto.

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

The Standalone financial statements are presented in Indian rupees (₹) and all values are rounded to the nearest lakhs and two decimals thereof, except if otherwise stated.

These Standalone financial statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments & provisions which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Interest in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. When a company undertakes its activities under joint operations, the Company as a joint operator recognises in relation to its interest in a joint operation:

1. Its assets, including its share of any assets held jointly,
2. Its liabilities, including its share of any liabilities incurred jointly,
3. Its revenue from the sale of its share arising from the joint operation,
4. Its share of the revenue from the joint operations, and
5. Its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenues, and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues, and expenses.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle for the business activities of the Company covers the duration of the project/ contract/ service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project.

2.4. Property Plant & Equipment

The Company has elected to continue with the carrying value of all its property, plant and equipment as recognised in the financial statement at the date of transition i.e. at April 01, 2015, measured as per the previous GAAP and used that as its deemed cost as at the transition date.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost includes cost of acquisitions or construction including incidental expenses thereto and other attributable cost of bringing the assets to its working condition for the intended use and is net of recoverable duty /tax credits.

2.5. Intangible Asset

The Company recognises the intangible asset according to Ind AS-38 which are stated at cost of acquisition net of accumulated amortisation and impairment losses, if any.

In accordance with Ind AS 38, Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Other intangible assets are amortised on straight line basis over the period in which it is expected to be available for use by the Company.

2.6. Intangible Asset under development

Expenditure related to and incurred during development of Assets are included under "Intangible assets under development". The same will be transferred to the respective assets on its completion.

2.8. Depreciation and Amortisation

Depreciation on Fixed Assets is provided on straight line method (other than specified Plant & Machinery which are depreciated on written down value basis) based on useful life which is estimated by the management as equivalent to the useful life stated in schedule II to the Companies Act 2013 and is on pro-rata basis for addition and deletions. The useful life is reviewed at least at the end of each financial year. In case of Plant & Machinery as per technical estimate (excluding Cranes & Earth Moving equipment), the useful life is more than as stated in schedule II. The estimated useful life of Property, Plant & Equipment and Intangible assets as mentioned below:

Particulars	Useful life(Yrs)
Buildings	30
Plant & Machinery	
- Earth Moving Equipment	15
- Piling Equipment	15
- Others	15
Office Equipment	05
Furniture & Fixtures	10
Vehicles	
- Two Wheelers	10
- Four Wheelers	08
Computers	03
Temporary Construction	03
Computer Software	06

2.9. Cash & Cash Equivalent

Cash & cash equivalents comprise of cash at bank and cash-in-hand. The Company consider all highly liquid investments which must be readily convertible to a known amount of cash and are subject to an insignificant risk of change in value with an original maturity of three months or less from date of purchase to be cash equivalent.

2.10. Revenue recognition

The Company recognised revenue when the Company satisfies a performance obligation by transferring a promised good or service (i.e., assets) to a customer at an amount that reflects the consideration entitled in exchange for those goods or services. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

The performance obligations are satisfied over time as the work progresses. The Company recognises revenue using input method (i.e. percentage of completion method), based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. If the consideration in the contract includes price variation clause or there are amendments in contracts, the Company estimates the amount of consideration to which it will be entitled in exchange for work performed.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion was calculated according to the nature and the specific risk of each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost of completion is complex, subject to many variables and requires significant judgment. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, if any. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration

is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Revenue related Claims/Bonus are accounted in the year in which awarded/settled or accepted by customer or there is a tangible evidence of acceptance received.

Other sales are accounted on dispatch of material and exclude applicable tax including Goods and Service tax and are net of discount.

Provision for future losses

Provision for future losses are recognised as soon as it becomes evident that the total costs expected to be incurred in a contract exceed the total expected revenue from that contract.

Contract balances

i) Contract assets

A contract asset is recognised for amount of work done but pending billing/acknowledgement by customer or amounts billed but payment is due on completion of future performance obligation, since it is conditionally receivable. The provision for Expected Credit Loss on contract assets is made on the same basis as financial assets.

ii) Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments.

iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received advance payments from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the consideration received.

Interest Income

Interest income is generally recognised on a time proportion basis by considering the outstanding amount and effective interest rate.

In the absence of ascertainment with reasonable certainty the quantum of accruals in respect of claims recoverable, the same is accounted for on receipt basis. Income from investments is accounted for on accrual basis when the right to receive income is established.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument. Income from dividend is recognised when the right to received is established.

Dividend

Dividends are recognised in profit or loss only when:

- (i) The Company's right to receive payment of the dividend is established;
- (ii) It is probable that the economic benefits associated with the dividend will flow to the entity; and
- (iii) The amount of dividend can be measured reliably.

2.11. Inventories

The stock of raw material, stores, spares and embedded goods and fuel is valued at lower of cost or net realisable value. Cost is computed on weighted average basis.

2.12. Leases

Where the Company is the lessee

The Company's lease asset classes primarily consist of leases buildings. The Company assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the

lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

Effective from April 01, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

2.13. Employee benefits

Short Term:

All employee benefits payable wholly within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

Long Term:

Provident Fund: The contribution to provident fund is in the nature of defined contribution plan. The Company makes contribution to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The contribution paid or payable is recognised as an expense in the period in which services are rendered.

Gratuity: The cost is determined using the projected unit credit method with actuarial valuation being carried at cash at each Balance Sheet date by an independent actuary. The retirement benefits obligation recognised in the Balance Sheet represent the present value of defined benefit obligation as adjusted for recognised past service cost.

Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur.

Other long term employee benefits:

The cost of long term employee benefits is determined using project unit credit method and is present value of related obligation, determined by actuarial valuation done on Balance Sheet date by an independent actuary. The past service cost and actuarial gain & losses are recognised immediately in the Statement of Profit & Loss in which they occur.

2.14. Borrowing Costs

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

2.15. Segment reporting

The Company's operations consist of infrastructure development and construction/project activities, Water supply projects in India, which in the context of Ind AS 108 "Operating Segments" is considered as identifiable segments. All the activities of the Company revolve around these business.

2.16. Earnings per share:

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The Weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, buy back of shares, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

2.17. Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income. Current income tax is charged at the end of reporting period to profit & loss.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised Deferred Tax Assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the Deferred Tax Asset to be recovered.

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act 1961, is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay tax under Normal provision of act during the specified period. The Company reviews the same at each Balance Sheet date and writes down the amount of MAT Credit Entitlement to the extent there is no convincing evidence to the effect that the Company will pay Income tax higher than MAT during the specified year.

2.18. Impairment of Financial Assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

2.19. Impairment of Non-Financial Assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost of disposal and the value-in-use) is determined on an Individual asset basis unless the asset does not generate cash flows that are largely Independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.20. Claims & Counter Claims:

Claims and counter claims including under arbitrations are accounted for on their final settlement/ Award. Contract related claims are recognised when there is a reasonable certainty

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

2.21. Provisions, Contingent liabilities and Contingent assets

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expense relating to a provision is presented in the statement of profit and loss

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date

Contingent liabilities and assets

Contingent liabilities are disclosed in respect of possible obligation that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimates of the obligation cannot be made.

A contingent assets are disclosed where an inflow of economic benefit is probable. An entity shall not recognise the contingent assets unless the recovery is virtually certain.

2.22. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are classified not at fair value through profit or loss are added to or deducted from, the fair value on initial recognition.

Subsequent measurement

A. Financial Assets

For the purpose of subsequent measurement, financial assets are classified in three broad categories:

(i) Financial Assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order 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.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it 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.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

- Investment in Subsidiaries, Associates and Joint ventures

On initial recognition, these investments are recognised at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost in accordance with Ind AS 27 - 'Separate Financial Statements'.

- Equity investments (other than investments in subsidiaries, associates and joint venture)

All equity investments falling within the scope of Ind-AS 109 are mandatorily measured at Fair Value through Profit and Loss (FVTPL) with all fair value changes recognised in the Statement of Profit and Loss. The Company has an irrevocable option of designating certain equity instruments as FVOCI. Option of designating instruments as FVOCI is done on an instrument-by-instrument basis. The classification made on initial recognition is irrevocable. If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument are recognised in Other Comprehensive Income (SOI). Amounts from SOI are not subsequently transferred to profit and loss, even on sale of investment.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

B. Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition:-

A. Financial Assets

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised when:

- (i) The contractual right to receive cash flows from the assets have expired, or
- (ii) The Company has transferred its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

B. Financial Liability

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

Reclassification of financial assets and financial liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

2.23. Foreign currencies

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

iii. Exchange differences:

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items by recognising the exchange differences as income or as expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.24. Fair Value Measurement

The Company measures certain financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

asset or liability and the level of the fair value hierarchy as explained above.

2.25. Cash Flow Statement

Cash flow are reported using indirect method whereby a profit before tax is adjusted for the effect for the effects of transaction of non-cash nature. The cash flow from operating, investing and financing activities of the Company are segregated.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of Standalone financial statements in conformity with Indian Accounting Standards (Ind AS) requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities at the date of Standalone financial statements and results of operations during the reporting period. The Management believes that the estimates used in preparation of Standalone financial statements are prudent and reasonable. Differences between actual results and estimates are recognised in the year in which the results are shown /materialised.

i. Estimated useful life of intangible asset and property, plant and equipment

The Company assesses the remaining useful lives of Intangible assets and property, plant and equipment on the basis of internal technical estimates. Management believes that assigned useful lives are reasonable.

ii. Income taxes:

Deferred tax assets are recognised for the unused tax credit to the extent that it is probable that taxable profits will be available against which the losses will be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

iii. Defined benefit plans and Other Long Term Benefits:

The cost of the defined benefit plan and other long term benefit and their present value are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities

involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The most sensitive is discount rate. Future salary increases and gratuity increases are based on expected future inflation rates.

iv. Contingent liabilities:

Management judgment is required for estimating the possible outflow of resources, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy. The management believes the estimates are reasonable and prudent.

v. Revenue Recognition:

The Company uses the stage of completion method using survey method and /or on completion of physical proportion of the contract work to measure progress towards completion in respect of construction contracts. This method is followed when reasonably dependable estimates of costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognised revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.

vi. Provision for doubtful receivables and contract assets:

In assessing the recoverability of the trade receivables and contracts assets, management's judgement involves consideration of aging status, evaluation of litigations and the likelihood of collection based on the terms of the contract.

vii. Estimation of net realisable value of inventories:

Inventories are stated at the lower of cost and Fair value. In estimating the net realisable value / Fair value of Inventories the Company makes an estimate of future selling prices and costs necessary to make the sale.

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

4 PROPERTY, PLANT & EQUIPMENTS

(₹ in Lakhs)

Particulars	Property, Plant & Equipment						Right of Use Assets				
	Freehold Land	Buildings	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Temporary Constructions	Total-Property, plant and equipment	Right-of-use assets	Total-Right-of-use assets
Gross carrying value											
At April 01, 2022	395.74	615.79	1,01,477.30	1,348.73	535.46	4,970.23	952.79	1,537.45	1,11,833.49	2,217.33	2,217.33
Addition during the year	196.84	-	4,824.45	137.35	67.92	519.88	189.70	-	5,936.14	111.63	111.63
Disposal / Adjustments	36.11	-	1,404.39	52.23	6.15	62.44	14.25	-	1,575.57	280.49	280.49
As at March 31, 2023	556.47	615.79	1,04,897.36	1,433.85	597.23	5,427.67	1,128.24	1,537.45	1,16,194.06	2,048.47	2,048.47
Accumulated Depreciation											
At April 01, 2022	-	142.32	49,157.76	805.43	237.20	1,816.10	765.30	1,536.48	54,460.59	833.84	833.84
Addition during the year	-	19.65	9,604.00	164.32	53.85	564.44	143.52	-	10,549.78	382.01	382.01
Disposal / Adjustments	-	-	905.99	41.72	2.77	41.33	11.41	-	1,003.22	116.09	116.09
As at March 31, 2023	-	161.97	57,855.77	928.03	288.28	2,339.21	897.41	1,536.48	64,007.15	1,099.76	1,099.76
Net carrying value as at March 31, 2023	556.47	453.82	47,041.59	505.82	308.95	3,088.46	230.83	0.97	52,186.91	948.71	948.71

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Particulars	Property, Plant & Equipment							Right of Use Assets			
	Freehold Land	Buildings	Plant & equipment	Office equipment	Furniture & fixtures	Vehicles	Computers	Temporary Constructions	Total-Property, plant and equipment	Right-of-use assets	Total-Right-of-use assets
Gross carrying value											
At April 01, 2021	504.93	615.79	1,02,145.31	1,092.31	461.00	4,090.54	738.56	1,537.45	1,11,185.90	920.09	920.09
Addition during the year	-	-	4,904.96	262.88	75.27	1,092.93	219.99	-	6,556.02	1,297.24	1,297.24
Disposal / Adjustments	109.19	-	5,572.97	6.46	0.81	213.24	5.76	-	5,908.43	-	-
As at March 31, 2022	395.74	615.79	1,01,477.30	1,348.73	535.46	4,970.23	952.79	1,537.45	1,11,833.49	2,217.33	2,217.33
Accumulated Depreciation											
At April 01, 2021	-	122.08	41,770.37	643.63	185.41	1,433.43	648.83	1,536.48	46,340.25	415.03	415.03
Addition during the year	-	20.24	11,098.21	166.55	51.95	519.17	119.81	-	11,975.91	418.81	418.81
Disposal / Adjustments	-	-	3,710.82	4.75	0.16	136.50	3.34	-	3,855.57	-	-
As at March 31, 2022	-	142.32	49,157.76	805.43	237.20	1,816.10	765.30	1,536.48	54,460.59	833.84	833.84
Net carrying value as at March 31, 2022	395.74	473.47	52,319.54	543.30	298.26	3,154.13	187.49	0.97	57,372.90	1,383.49	1,383.49

Notes :

- 4.1 Property, plant and equipment hypothecated/ pledged as security except project assets. (refer note no 20 & 25)
- 4.2 Refer note no 42 for disclosure of Contractual Commitment for the acquisition of Property, plant & equipment.
- 4.3 Right of use assets includes Land and Building under lease in pursuance of Ind AS 116.
- 4.4 The Company has not revalued its Property, plant & equipment during the year
- 4.5 All immovable properties are held in the name of the Company

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

5 CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Particulars	Amount
Gross Carrying Value	
Opening balance as at April 01, 2022	-
Addition during the year	1,252.73
Capitalised/Adjustments during the year	1,252.73
As at March 31, 2023	-
Gross Carrying Value	
Opening balance as at April 01, 2021	341.59
Addition during the year	1,392.09
Capitalised/Adjustments during the year	1,733.68
As at March 31, 2022	-

There is no Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan

6 INTANGIBLE ASSET

(₹ in Lakhs)

Particulars	Computer software (Bought out)	Mining Lease	Total
Gross carrying value			
Opening balance as at April 01, 2022	542.54	33.53	576.07
Addition during the year	31.88	167.72	199.60
Disposals/Adjustments	-	-	-
As at March 31, 2023	574.42	201.25	775.67
Accumulated Amortisation			
Opening balance as at April 01, 2022	384.32	12.24	396.56
For the year	50.27	10.45	60.72
Disposals/Adjustments	-	-	-
As at March 31, 2023	434.59	22.69	457.28
Net carrying value as at March 31, 2023	139.83	178.56	318.39

(₹ in Lakhs)

Particulars	Computer software (Bought out)	Mining Lease	Total
Gross carrying value			
Opening balance as at April 01, 2021	508.00	33.53	541.53
Addition during the year	34.54	-	34.54
Disposals/Adjustments	-	-	-
As at March 31, 2022	542.54	33.53	576.07
Accumulated Amortisation			
Opening balance as at April 01, 2021	308.81	8.89	317.70
For the year	75.51	3.35	78.86
Disposals/Adjustments	-	-	-
As at March 31, 2022	384.32	12.24	396.56
Net carrying value as at March 31, 2022	158.22	21.29	179.51

The Company has not revalued its Intangible asset during the year

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

7 INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investments in equity instruments		
A. Subsidiaries		
10 Equity shares (Previous Year 10) of PNC Raebareli Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
10 Equity shares (Previous Year 10) of PNC Bundelkhand Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
10 Equity shares (Previous Year 10) of PNC Meerut Haridwar Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
10 Equity shares (Previous Year 10) of PNC Chitrdurga Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
10 Equity shares (Previous Year 10) of PNC Khujrao Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
50,00,000 Equity shares (Previous Year 50,00,000) of PNC Bareilly Nainital Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)	500.00	500.00
10 Equity shares (Previous Year 10) of PNC Bithur Kanpur Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
10 Equity shares (Previous Year 10) of PNC Unnao Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
10 Equity shares (Previous Year 10) of PNC Gomti Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
50,000 Equity shares (Previous Year 50,000) of PNC Infra Holdings Limited of ₹ 10 each (Face value ₹ 10 each)	5.00	5.00
20,58,20,788 Equity shares (Previous Year 17,31,14,788) of PNC Infra Holdings Limited acquired of ₹ 50 each (Face value ₹ 10 each)	1,02,910.40	86,557.40
10 Equity shares (Previous Year 10) of PNC Triveni Sangam Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
10 Equity shares (Previous Year 10) of PNC Rajasthan Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
10 Equity shares (Previous Year Nil) of PNC Challakere Karnataka Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
10 Equity shares (Previous Year Nil) of PNC Aligarh Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
NIL Equity shares (Previous Year 5,100) of Ferrovia Transrail Solutions Private Limited of ₹ 10 each (Face value ₹ 10 each)**	-	0.51
10 Equity shares (Previous Year 10) of PNC Kanpur Ayodhya Tollways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	0.00
10 Equity shares (Previous Year Nil) of Kanpur Lucknow Expressway Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	-
10 Equity shares (Previous Year Nil) of Hardoi Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	-
10 Equity shares (Previous Year Nil) of Awadh Expressway Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	-

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
10 Equity shares (Previous Year Nil) of Sonauli Gorakhpur Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	-
10 Equity shares (Previous Year Nil) of Akkalkot Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	-
10 Equity shares (Previous Year Nil) of Yamuna Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	-
10 Equity shares (Previous Year Nil) of Hathras Highways Private Limited of ₹ 10 each (Face value ₹ 10 each)*	0.00	-
Investment in Subsidiaries (A)	1,03,415.40	87,062.91
B. Associates		
NIL Equity shares (Previous Year 2,93,24,000) of Ghaziabad Aligarh Expressway Private Limited of ₹ 10 each (Face value ₹ 10 each)	-	2,932.40
Less : Impairment loss on investment (refer note 37)	-	(2,856.82)
Less : Investment classified as held for sale (refer note 53)	-	(75.58)
Investment in Associates (B)	-	-
C. Others		
5,55,370 Equity shares (Previous Year 5,55,370) of Indian Highways Management Company limited of ₹ 10 each (Face value ₹ 10 each)	55.54	55.54
Investment in Others (C)	55.54	55.54
Total(A+B+C)	1,03,470.94	87,118.45

*Figures are nil due to rounding off norms adopted by the Company

**The Company on February 28, 2023 had entered into Share Purchase Agreement and other related transaction documents inter alia, with BF Infrastructure Limited ("BFIL"), for divestment of the Company's entire stake of 51% in Ferrovia Transrail Solutions Private Limited ("FTSPL"), (a "subsidiary" of the Company) to BFIL. This transaction was subject to applicable regulatory and other approvals and certain conditions, more specifically laid down in the Share Purchase Agreement. The said transaction has successfully been consummated and closed as contemplated under the Share Purchase Agreement on March 02, 2023 against the total consideration of ₹ 21.00 lakhs

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate book value of unquoted investments	1,03,470.94	90,050.85
Less : Aggregate amount of impairment of investment (refer note 37)	-	(2,856.82)
Less : Investment classified as held for sale (refer note 53)	-	(75.58)
Total	1,03,470.94	87,118.45

Out of the Investments of the Company following investments are pledged with the Financial Institutions /Banks for security against the financial assistance extended to the companies under the same management and others:

(₹ in Lakhs)

Name of the Company	Relationship	As at March 31, 2023	As at March 31, 2022
PNC Bareilly Nainital Highways Private Limited (Equity shares of ₹ 10 each)	Subsidiaries	25,50,000	25,50,000
Ghaziabad Aligarh Expressway Private Limited (Equity shares of ₹ 10 each) (refer note 53)	Associates	-	1,49,55,240

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

8 LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured and considered good- unless otherwise stated		
Loans		
- Related party*	65,587.00	48,949.00
Total	65,587.00	48,949.00

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Loan Receivable considered good-secured	-	-
Loan Receivable considered good-un secured	65,587.00	48,949.00
Loan Receivable which have increase in credit risk	-	-
Credit Impaired	-	-

*The Company has given unsecured loan to its subsidiaries in lieu of equity of ₹ 65,587.00 lakhs (P.Y. ₹ 48,949.00 lakhs) which is non interest bearing

* For details refer Note 49

(₹ in Lakhs)

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Loan Outstanding	% to Total Loan	Loan Outstanding	% to Total Loan
In lieu of Equity				
Promoter	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties				
PNC Aligarh Highways Private Limited	6,419.00	9.79%	6,419.00	13.11%
PNC Bundelkhand Highways Private Limited	6,272.00	9.56%	5,292.00	10.81%
PNC Challakere (Karnataka) Highways Private Limited	3,780.00	5.76%	2,947.00	6.02%
PNC Chitradurga Highways Private Limited	6,400.00	9.76%	6,400.00	13.07%
PNC Khajuraho Highways Private Limited	6,480.00	9.88%	6,480.00	13.24%
PNC Rajasthan Highways Private Limited	3,904.00	5.95%	4,804.00	9.81%
PNC Triveni Sangam Highways Private Limited	8,430.00	12.85%	7,009.00	14.32%
PNC Bithur Kanpur Highways Private Limited	7,936.00	12.10%	4,751.00	9.71%
PNC Gomti Highways Private Limited	5,164.00	7.87%	490.00	1.00%
PNC Unnao Highways Private Limited	4,063.00	6.19%	3,867.00	7.90%
PNC Meerut Haridwar Highways Private Limited	4,589.00	7.00%	490.00	1.00%
Kanpur Lucknow Expressway Private Limited	500.00	0.76%	-	0.00%
Hardoi Highways Private Limited	50.00	0.08%	-	0.00%
Awadh Expressway Private Limited	500.00	0.76%	-	0.00%
Sonauli Gorakhpur Highways Private Limited	50.00	0.08%	-	0.00%
Akkalkot Highways Private Limited	600.00	0.91%	-	0.00%
Yamuna Highways Private Limited	400.00	0.61%	-	0.00%
Hathras Highways Private Limited	50.00	0.08%	-	0.00%
Total	65,587.00	100%	48,949.00	100%

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

9 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits		
Held with related party**	1,474.62	1,453.03
Terms Deposits (having maturity of more than 12 months)*		
- Term deposits as margin money for bank guarantees	269.19	192.26
- Earnest money deposits (in the form of term deposits, NSC etc)	322.41	302.13
Others		
- Retention & Withheld		
a. Held with departments	5,271.07	5,264.98
b. Held with related party**	112.10	843.03
Total	7,449.39	8,055.43

* For details refer Note 14

** For details refer Note 49

10 DEFERRED TAX ASSETS/(LIABILITIES)

10.1 The balance comprises temporary differences attributable to:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets/(Liabilities)		
Property, plant & equipment	826.20	479.52
Retention Assets	299.32	-
Retention Liabilities	(143.98)	(445.44)
Deferred Retention Liabilities	135.33	428.77
Deferred Retention Assets	(1.10)	-
Gratuity & Leave Liability	676.34	522.57
Lease Liability	256.14	354.98
Trade Receivables	347.59	175.87
Net deferred tax assets/(liabilities)	2,395.84	1,516.27

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

10.2 Movement in deferred tax assets/ (liabilities)

(₹ in Lakhs)

Particulars	Property, plant & equipment	Retention Assets	Retention Liabilities	MAT Credit Entitlement	Lease Liability	Deferred Retention Liabilities	Deferred Retention Assets	Trade Receivables	Mutual Fund	Gratuity & Leave Liability	Total
At April 01, 2022	479.52	-	(445.44)	-	354.98	428.77	-	175.87	-	522.57	1,516.27
(Charged)/credited:-											
-to profit & loss	346.68	299.32	301.46	-	(98.84)	(293.44)	(1.10)	171.72	-	244.65	970.45
-to Other Comprehensive Income	-	-	-	-	-	-	-	-	-	(90.88)	(90.88)
As at March 31, 2023	826.20	299.32	(143.98)	-	256.14	135.33	(1.10)	347.59	-	676.34	2,395.84
At April 01, 2021	432.55	428.15	(607.41)	1,041.09	128.83	590.46	(428.15)	191.01	(8.49)	484.24	2,252.28
(Charged)/credited:-											
-to profit & loss	46.97	(428.15)	161.97	(1,041.09)	226.15	(161.69)	428.15	(15.14)	8.49	(71.36)	(845.70)
-to Other Comprehensive Income	-	-	-	-	-	-	-	-	-	109.69	109.69
As at March 31, 2022	479.52	-	(445.44)	-	354.98	428.77	-	175.87	-	522.57	1,516.27

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

11 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
- Advances other than Capital Advances		
Balance with statutory authorities	2,148.47	3,941.98
- Others		
- Advance tax and tax deducted at source*	7,329.47	6,945.16
- Tax and duty deposited under demand	106.34	107.81
- GST Input, GST-TDS & GST on advance	15,745.30	19,574.91
- Mobilisation advance to sub-contractors	945.48	1,367.65
- Deferred retention money	4.37	-
Total	26,279.43	31,937.51

*The refund receivable for certain years, are held up by tax authorities for verification of TDS certificates internally or with other issuing departments.

12 INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials (construction material)	61,722.49	42,516.66
Raw materials in transit	2,164.40	1.30
Work-in-progress	5,260.00	-
Stores and spares	7,292.39	5,560.92
Total	76,439.28	48,078.88

Bifurcation of Raw Material under broad heads:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw material		
Bitumen	508.37	671.74
Cement	1,014.04	989.85
Steel	13,120.00	11,854.28
Stone, Grit and Sand	24,211.40	15,740.95
High speed diesel and Fuel oil	1,228.38	1,447.29
Others	21,640.30	11,812.55
Total	61,722.49	42,516.66
Work-in-progress		
Road	5,260.00	-
Total	5,260.00	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

13 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivable considered good-unsecured		
Related parties*	1,07,912.85	79,321.48
Other	84,019.51	49,205.68
Less: Allowance for expected credit loss	(1,381.07)	(1,245.38)
	1,90,551.29	1,27,281.78
Trade receivable-credit impaired**	-	3,172.74
Less: Allowance for credit impairment**	-	(3,172.74)
Total	1,90,551.29	1,27,281.78

* For details refer note 49

** For details refer note 53

Trade receivables ageing schedule as at March 31, 2023

(₹ in Lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
Undisputed Trade receivables-considered good	1,54,477.06	22,832.79	11,376.87	501.25	2,744.39	1,91,932.36
Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	-
Disputed Trade Receivables-considered good	-	-	-	-	-	-
Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-
	1,54,477.06	22,832.79	11,376.87	501.25	2,744.39	1,91,932.36
Less : Allowance for credit loss						(1,381.07)
Total						1,90,551.29

Amount will due when bill raised to the customer

Trade receivables ageing schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	
Undisputed Trade receivables-considered good	1,16,999.73	1,130.93	1,339.46	2,134.25	6,922.79	1,28,527.16
Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	3,172.74	3,172.74
Disputed Trade Receivables-considered good	-	-	-	-	-	-
Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-
	1,16,999.73	1,130.93	1,339.46	2,134.25	10,095.53	1,31,699.90
Less : Allowance for credit loss						(4,418.12)
Total						1,27,281.78

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Amount will due when bill raised to the customer

Trade receivable are hypothecated against secured borrowing of the Company (refer note no 20 & 25)

For information on financial risk management objectives and policies (refer note no 44)

There are no trade receivable due from any director or any officer of the Company, either severally or jointly with any other person or from any firm or private companies in which any director is a partner, a director or a member.

14 (i) Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with Banks		
In Bank account	24,155.09	32,004.41
Fixed deposits with maturity less than 3 months	5,003.45	8,503.32
Cash on hand	120.03	176.47
Total	29,278.57	40,684.20

14 (ii) Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposit		
(with maturity less than 3 months maturity)		
Fixed deposits as margin money on bank guarantee	62.00	1,978.67
Earnest money deposits (in the form of term deposits, NSC etc)	1,894.81	3,247.73
(with maturity more than 3 months but up to 12 months)		
Fixed deposits as margin money on bank guarantee	6,059.12	6,811.02
Earnest money deposit	43.68	47.14
	8,059.61	12,084.56
Current Account		
Earmarked balances with banks-unclaimed dividend	1.38	1.25
Total	8,060.99	12,085.81

14(ii).1 Details of FDR kept as security

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposits as Margin money on bank guarantee		
Under lien in favour of Banks as margin deposits for letter of credit and Bank Guarantees	6,390.30	8,981.95
Earnest money (in form of term deposits) deposits in favour of customers.	2,260.91	3,597.00
Add: Interest accrued but not due on margin money and earnest money deposit	186.76	230.00
Less: Interest accrued but not due on margin money and earnest money deposit	(186.76)	(230.00)
Total Deposits	8,651.21	12,578.95
Deposit having more than 12 months maturity from reporting date		
Fixed Deposits	269.19	192.26
Earnest money deposits	322.41	302.13
Total Non-Current Deposits	591.60	494.39
Total Current Deposits	8,059.61	12,084.56

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

15 LOANS

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Unsecured and considered good- unless otherwise stated		
Loans		
- Related party*	8,835.00	30,637.00
Total	8,835.00	30,637.00

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Loan Receivable considered good-Secured	-	-
Loan Receivable considered good-Unsecured	8,835.00	30,637.00
Loan Receivable which have increase in credit risk	815.00	815.00
Less: Allowance for expected credit loss	(815.00)	(815.00)
Loan Receivable-Credit Impaired	-	6,942.56
Less: Allowance for Credit Impairment	-	(6,942.56)
Total	8,835.00	30,637.00

*The Company has given unsecured loan to its subsidiaries and associates for financial assistance of ₹ 9,650.00 lakhs (P.Y. ₹ 38,394.56 lakhs), which is non interest bearing.

*The amount is net off of expected credit loss/ impairment of ₹ 815.00 lakhs (P.Y. ₹ 7757.56 lakhs)

* For details refer Note 49 & 53

Type of Borrower	(₹ in Lakhs)			
	As at March 31, 2023		As at March 31, 2022	
	Loan Outstanding	% to Total Loan	Loan Outstanding	% to Total Loan
Repayable on Demand				
Promoter	-		-	
Directors	-		-	
KMPs	-		-	
Related Parties				
Ghaziabad Aligarh Expressway Private Limited	-	-	21,802.00	71.16%
PNC Khajuraho Highways Private Limited	-	0.00%	-	0.00%
PNC Bareilly Nainital Highways Private Limited	8,835.00	100.00%	8,835.00	28.84%
Total	8,835.00	100%	30,637.00	100%

16 OTHER CURRENT FINANCIAL ASSETS

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Security deposits	584.85	614.98
Retention & Withheld Money		
Held with departments	7,028.63	7,276.98
Held with related party*	1,937.73	6,587.48
Less: Allowance for expected credit loss	(1,184.76)	-
Others		
Interest accrued but not due on margin money and earnest money deposit	186.76	230.00
Total	8,553.21	14,709.44

* For details refer Note 49

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

17 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances other than Capital advances		
Advances to supplier/ contractor		
- Considered good-unsecured	12,979.16	11,183.23
Deposit and Balances with Government authority		
- Unsecured and considered good	5,419.46	5,325.41
Unbilled Revenue*	5,138.57	-
Other Receivable		
- Mobilisation advance to sub contractor	945.48	1,367.65
- Other advances	2,208.69	2,271.36
Total	26,691.36	20,147.65

* For details refer Note 43

18 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
Equity shares of ₹ 2 each		
27,50,00,000 (Previous year 27,50,00,000)	5,500.00	5,500.00
	5,500.00	5,500.00
Issued, Subscribed & Fully Paid up		
Equity shares of ₹ 2 each		
25,65,39,165 (Previous year 25,65,39,165)	5,130.78	5,130.78
Total	5,130.78	5,130.78

*Refer Statement of Changes In equity

A Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening	25,65,39,165	25,65,39,165
Change during the year	-	-
Closing	25,65,39,165	25,65,39,165

B Details of shares held by Shareholders holding more than 5% in the Company:

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of Shares	% Holdings	No of Shares	% Holdings
NCJ Infrastructure Private Limited	2,47,65,000	9.65	2,47,65,000	9.65
HDFC Mutual Fund	2,31,01,174	9.00	2,23,09,699	8.70
Naveen Kumar Jain	1,80,96,000	7.05	1,80,96,000	7.05
Madhavi Jain	1,79,98,500	7.02	1,79,98,500	7.02
Yogesh Kumar Jain	1,67,94,000	6.55	1,67,94,000	6.55
Pradeep Kumar Jain	1,53,49,500	5.98	1,53,49,500	5.98

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

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

C Shares held by promoters at the end of the year

(₹ in Lakhs)

Promoter Name	As at March 31, 2023				As at March 31, 2022			
	No of Shares	Change during the year	% Holdings	% Change during the year	No of Shares	Change during the year	% Holdings	% Change during the year
Pradeep Kumar Jain	1,53,49,500	-	5.98	-	1,53,49,500	-	5.98	-
Naveen Kumar Jain	1,80,96,000	-	7.05	-	1,80,96,000	-	7.05	-
Chakresh Kumar Jain	25,14,000	-	0.98	-	25,14,000	-	0.98	-
Yogesh Kumar Jain	1,67,94,000	-	6.55	-	1,67,94,000	-	6.55	-
Meena Jain	74,26,500	-	2.89	-	74,26,500	-	2.89	-
Ashita Jain	78,73,500	-	3.07	-	78,73,500	-	3.07	-
Madhavi Jain	1,79,98,500	-	7.02	-	1,79,98,500	-	7.02	-
Vaibhav Jain	1,16,71,500	-	4.55	-	1,16,71,500	-	4.55	-
Pradeep Kumar Jain HUF	52,50,000	-	2.05	-	52,50,000	-	2.05	-
Naveen Kumar Jain HUF	1,500	-	0.00	-	1,500	-	0.00	-
Chakresh Kumar Jain HUF	92,56,500	-	3.61	-	92,56,500	-	3.61	-
Yogesh Kumar Jain HUF	51,01,500	-	1.99	-	51,01,500	-	1.99	-
Abhinandan Jain	17,43,000	-	0.68	-	17,43,000	-	0.68	-
NCJ Infrastructure Private Limited	2,47,65,000	-	9.65	-	2,47,65,000	-	9.65	-

D Rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. In case any dividend is proposed by the Board of Directors the same is subject to the approval of the shareholders in the ensuing annual general meeting, except in the case of Interim dividend. There are no restrictions attached to equity shares after the issue of 1,29,21,708 shares, prior to the IPO, the equity shares were subject to restriction as per investment agreement dated January 11, 2011 and subsequent amendment thereto.

E There are no Bonus shares/ shares issued for consideration other than cash and shares bought back during the period of five years.

19 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Securities Premium*	59,009.66	59,009.66
General Reserve*	128.96	128.96
Retained Earnings*	3,29,886.79	2,69,751.93
Total	3,89,025.41	3,28,890.55

*Refer Statement of Changes in equity

(i) Securities Premium

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	59,009.66	59,009.66
Change during the year	-	-
Closing Balance	59,009.66	59,009.66

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(ii) General Reserve

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	128.96	128.96
Change during the year	-	-
Closing Balance	128.96	128.96

(iii) Retained Earnings

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	2,69,751.93	2,26,577.64
Profit for the year	61,147.36	44,783.12
Item of other comprehensive income directly booked in retained earnings		
Remeasurement of Defined Benefit Obligation	270.20	(326.13)
Dividend	(1,282.70)	(1,282.70)
Closing Balance	3,29,886.79	2,69,751.93

Dividend distribution made and proposed

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Dividend paid on equity shares		
Final dividend for the year ended March 31, 2022 of ₹ 0.5 per equity share of ₹ 2	1,282.70	-
Final dividend for the year ended March 31, 2021 of ₹ 0.5 per equity share of ₹ 2	-	1,282.70
Total	1,282.70	1,282.70
(b) Dividend proposed on equity shares		
Final dividend for the year ended March 31, 2023 of ₹ 0.5 per equity share of ₹ 2 *	1,282.70	-
Final dividend for the year ended March 31, 2022 of ₹ 0.5 per equity share of ₹ 2	-	1,282.70
Total	1,282.70	1,282.70

* Proposed dividend on equity shares is subject to the approval at the annual general meeting and was not recognised as a liability as at end of financial year

Description of nature and purposes of each reserve

Securities Premium

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013

General Reserve

This represents appropriation of profit by the Company

Retained Earnings

Retained earning represents undistributed profit of the Company which can be distributed to its equity shareholder in accordance with the requirement of the Companies Act, 2013.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Other Comprehensive Income

Other Comprehensive Income represents the balance in equity for the items to be accounted in other comprehensive income.

Other Comprehensive Income is classified into, (i) Items that will not be reclassified to profit or loss (ii) Items that will be reclassified to profit or loss

20 NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term loans -from Banks (for maturity pattern refer detail below)	13,282.73	20,659.06
Term loans -from NBFCs (for maturity pattern refer detail below)	-	919.28
Less : Current Maturities of long term debt		
Term loans -from Banks (refer note no 25)	(7,281.82)	(7,811.37)
Term loans -from NBFCs (refer note no 25)	-	(843.06)
Total	6,000.91	12,923.91

The requisite particulars in respect of secured borrowings are as under:

(₹ in Lakhs)

Particulars	Total Outstanding	Non - Current Maturity	Current Maturity*
Term Loan From Banks			
Axis Bank	At March 31, 2023	2,353.18	1,107.20
	At March 31, 2022	3,640.83	2,353.17
HDFC Bank	At March 31, 2023	6,962.25	3,048.97
	At March 31, 2022	9,785.75	6,093.55
Bank of Baroda	At March 31, 2023	7.31	1.88
	At March 31, 2022	12.24	7.31
IDFC First Bank Limited	At March 31, 2023	26.79	-
	At March 31, 2022	215.50	26.79
ICICI Bank	At March 31, 2023	3,883.72	1,814.07
	At March 31, 2022	5,684.85	3,780.94
Kotak Mahindra Bank Limited	At March 31, 2023	-	-
	At March 31, 2022	1,251.18	536.46
Canara Bank	At March 31, 2023	49.48	28.79
	At March 31, 2022	68.72	49.48
Term Loan From NBFCs			
Hinduja Leyland Finance Limited	At March 31, 2023	-	-
	At March 31, 2022	170.31	-
Tata Capital Financial Services Limited	At March 31, 2023	-	-
	At March 31, 2022	323.89	-
Tata Motor Finance Limited	At March 31, 2023	-	-
	At March 31, 2022	425.07	76.21
As at March 31, 2023	13,282.73	6,000.91	7,281.82
As at March 31, 2022	21,578.34	12,923.91	8,654.43

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Loans are repayable as under :

(₹ in Lakhs)

Period	As at March 31, 2023	As at March 31, 2022
Paid with in One Year	7,281.82	8,654.43
Paid after One Year to Three Year	5,905.72	12,626.65
Paid after Three Year	95.19	297.26
Total	13,282.73	21,578.34

- (i) The above loans are secured by way of hypothecation of asset financed out of said loans
- (ii) The above loans are repayable in equitable monthly installment over the period of loan
- (iii) Above Loans carrying Interest rate ranging 7.35% to 9.50%
- (iv) Term Loans raised during the year have been used for the same purpose for it was drawn

21 | NON-CURRENT LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liability*	689.40	1,048.33
Total	689.40	1,048.33

*For detail refer note no 54

22 | NON-CURRENT LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Retentions & security deposit	37,520.56	33,210.41
Security received from contractor/suppliers	47.06	47.06
Total	37,567.62	33,257.47

23 | NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Employee Benefits*		
Provision for Gratuity (funded)	1,676.84	1,497.78
Provision for Leave liability (unfunded)	401.03	417.20
Total	2,077.87	1,914.98

*For details refer note no 48

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

24 NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances from customers		
Related Parties*	-	21,839.48
Others	22,520.19	15,393.42
Others		
Deferred Retentions & Security deposit	537.70	1,703.65
Total	23,057.89	38,936.55

*For details refer note no 49

25 CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
I. Secured		
A. Current maturities of long term debt		
- Term Loan From Banks*	7,281.82	7,811.37
- Term Loan From NBFC'S*	-	843.06
Sub Total (A)	7,281.82	8,654.43
B. Working capital demand loans		
- From Punjab National Bank	10,000.00	-
- From State Bank of India	10,021.88	-
Sub Total (B)	20,021.88	-
C. Buyers credit loans		
- From Axis Bank	383.91	-
Sub Total (C)	383.91	-
Sub Total Secured borrowing	27,687.61	8,654.43
II. Unsecured		
Loan repayable on demand from related parties	11,307.73	-
Total	38,995.34	8,654.43

*For detail refer note no 20

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Loan Payable	% to Total Loan	Loan Payable	% to Total Loan
Repayable on Demand				
Related Parties				
PNC Delhi Industrialinfra Private Limited	4,000.00	35.37%	-	-
PNC Kanpur Ayodhya Tollways Private Limited	7,307.73	64.63%	-	-
Total	11,307.73	100.00%	-	-

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

The requisite particulars in respect of secured borrowings are as under:

(₹ in Lakhs)

Particulars	
Loan repayable on demand from banks-	
Working capital loans	Cash credit facilities and working capital demand loans from consortium of banks are secured by:
	(i) Hypothecation against first charge of stocks viz raw material, stocks in process, finished goods, stores and spares and book debts of the Company.
	(ii) Further secured by hypothecation of plant & machinery (excepting to hypothecated to Banks and NBFCs)
	(iii) Equitable mortgage of 6 properties (Land & Building) as per joint deed of hypothecation belonging to the Directors, group company and relatives of directors.
	(iv) Corporate guarantee of Taj Infrabuilders Private Limited.
	(v) Personal guarantee of promoters and relatives of directors.

26 | CURRENT LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liability*	328.34	362.10
Total	328.34	362.10

*For detail refer note no 54

27 | TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of Micro and Small enterprises (Refer note 27.1)	12,927.24	4,384.67
Total outstanding dues of creditor other than Micro and Small enterprises	54,973.44	46,370.37
Total	67,900.68	50,755.04

Note 27.1

Based on available information, the outstanding is to the extent of information received by Company under the Micro, Small & Medium Enterprises Development Act 2006, is as below

Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
- Principal amount due to suppliers	12,927.24	4,384.67
- Interest accrued due to suppliers on the above amount and unpaid.	-	-
- The amount of interest paid by the Company in terms of Section 16 of the MSMED Act 2006, along with the amount of the payment made to the supplier beyond the appointed date during each accounting year.	-	-
- The amount of interest due and payable for the period of delay in making payment(which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
- Interest accrued and remaining unpaid at the end of the each accounting year.	-	-
- Amount of further interest remaining due and payable in succeeding years, untill such date when the interest dues above are actually paid to small enterprise, for the purpose of disallowance of a deductible expenditure u/s 23 of MSMED Act, 2006	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Trade payable ageing schedule as at March 31, 2023

(₹ in Lakhs)

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
MSME	12,927.24	-	-	-	12,927.24
Others	48,284.86	1,291.09	646.56	4,750.93	54,973.44
Disputed MSME	-	-	-	-	-
Disputed Others	-	-	-	-	-
Total	61,212.10	1,291.09	646.56	4,750.93	67,900.68

Trade payable ageing schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 year	1-2 year	2-3 year	More than 3 year	
MSME	4,384.67	-	-	-	4,384.67
Others	36,515.10	4,746.70	2,985.31	2,123.26	46,370.37
Disputed MSME	-	-	-	-	-
Disputed Others	-	-	-	-	-
Total	40,899.77	4,746.70	2,985.31	2,123.26	50,755.04

28 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital creditors	323.03	114.61
Due to employees	3,685.63	3,540.41
Retention money	15,808.25	15,206.91
Unclaimed dividend*	1.38	1.25
Expenses payable	3,180.85	2,786.08
Total	22,999.14	21,649.26

*An amount of ₹ 1,269 (in rupees) which was due and payable and remained unclaimed and unpaid for a period of seven years, was transferred to Investor Education and Protection Fund for the financial year 2014-15.

29 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
- Other Advances		
Advances from customers		
Related parties*	10,362.80	25,603.56
Others	-	8.91
- Payable to Government Authority		
a. ESI / PF payable	114.16	89.95
b. TDS & TCS payable	1,407.30	823.29
c. Others	2.00	2.45
Total	11,886.26	26,528.16

*For detail refer note no 49

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

30 CURRENT PROVISIONS

(₹ in Lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
Employee Benefits*		
Provision for leave liability (unfunded)	163.58	161.34
Others		
Provision for Income tax	1,223.09	-
Total	1,386.67	161.34

*For details refer note no 48

31 REVENUE FROM OPERATIONS

(₹ in Lakhs)		
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of Product		
Contract revenue*	7,05,985.79	6,29,816.61
Other Operating Revenues		
(a) Sale of material	60.47	715.39
(b) Sale of scrap material	37.73	18.34
Total	7,06,083.99	6,30,550.34

*Including Bonus received for early completion of the project amounting of ₹ 3,701.52 lakhs (Previous year ₹ 8268.48 lakhs) and arbitration award of ₹ 39.63 lakhs received from AFS Panagarh.

*Bifurcation of contract revenue are as under:

(₹ in Lakhs)		
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Contract Revenue		
Road	5,88,101.32	6,10,102.31
Airport runways	39.63	-
Water projects	92,495.56	10,809.55
Toll collection	25,349.28	8,904.75
Total	7,05,985.79	6,29,816.61

32 OTHER INCOME

(₹ in Lakhs)		
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Income:		
From Bank	548.28	1,010.14
From Subsidiaries	-	360.18
From Others	252.02	160.74
Profit/ (loss) on sale of property, plant & equipment (net)	(19.00)	33.70
Profit/ (loss) on sale of investments (net)	20.49	-
Profit/ (loss) on redemption of units of mutual fund (net)	669.53	1,018.67
Profit/ (loss) on fair valuation of units of mutual fund (net)	-	(48.61)
Profit/ (loss) on lease modification/ cancellation	6.83	-
Unwinding of interest income on financial instrument	1,443.17	2,119.29
Other non-operating income	906.06	769.48
Total	3,827.38	5,423.59

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

33 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Raw material	3,34,374.66	3,19,307.28
Total	3,34,374.66	3,19,307.28

34 EMPLOYEE BENEFIT EXPENSE

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages and bonus	32,220.02	33,070.43
Gratuity expenses (refer note 48)	587.86	424.44
Contributions to provident fund & other funds	620.56	559.89
Workmen and staff welfare expenses	159.66	142.97
Total	33,588.10	34,197.73

35 FINANCE COST

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
(a) Interest Cost:		
On Borrowings	1,723.42	2,889.13
On Mobilisation advance	1,662.25	2,025.59
(b) Others:		
On Unwinding of liabilities	1,613.26	1,743.62
(c) Other Borrowing Cost		
Loan processing charges	71.26	135.23
Guarantee charges	1,309.99	1,220.98
Total	6,380.18	8,014.55

36 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation		
Depreciation on property, plant & equipment	10,549.78	11,975.91
Amortisation		
Amortisation on intangible assets	60.72	78.86
Amortisation on right of use assets	382.01	418.81
Amortisation of deferred retention assets	7.23	517.43
Total	10,999.74	12,991.01

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

37 OTHER EXPENSES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Consumption of stores and spare parts*	13,394.77	10,403.61
Power & fuel	1,227.17	1,206.76
Contract paid	1,67,074.69	1,16,802.06
Concession fee on toll project	24,786.73	9,064.97
Hire charges of machineries	3,251.33	6,250.72
Other construction expenses	13,461.57	10,761.24
Rent	907.11	796.98
Insurance	2,101.71	1,968.63
Travelling and conveyance	691.67	556.13
Legal & professional expenses	1,351.00	1,347.10
Rates and taxes**	8,252.71	22,643.02
Auditor's remuneration		
- Audit fees	36.00	29.00
- Certification fees	7.00	5.00
- For reimbursement of expenses	2.48	1.81
Tender & survey expenses	96.99	104.63
Director's sitting fees	11.00	7.50
Corporate social responsibility	1,276.63	1,049.28
Allowance for expected credit loss	1,320.45	698.77
Impairment loss on associate		
- Trade receivable (refer note no 13)	-	3,172.74
- Unsecured loan (refer note no 15)	-	6,942.56
- Investment (Refer note no 58)	-	2,856.82
Miscellaneous and general expenses***	3,481.96	1,651.36
Total	2,42,732.97	1,98,320.69

*Being all material repair jobs are done in-house, the expenses of repair to plant and machinery are not significant, and also because numerous repair jobs are done and it is difficult to segregate the repair expenses from consumption of store & spares.

** Includes GST Expenses of ₹ 3,107.80 lakhs (Previous year ₹ 17, 256.50 lakhs)

***Includes Foreign Exchange loss of ₹ 1.43 lakhs.(Previous year Foreign Exchange gain ₹ 40.00 lakhs)

38 TAX EXPENSES

A. Income Tax Expenses

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
(a) Current Income tax		
Current tax on profit for the year	21,638.77	17,513.85
Adjustments for current tax of earlier years	20.04	-
Total Current tax expense	21,658.81	17,513.85
(b) Deferred tax		
Relation to origination of temporary differences	(970.45)	(195.39)
Adjustments of Tax relating to earlier years		
- Remeasurement of deferred tax on a/c of new tax regime	-	1,041.09
Total Deferred tax expenses	(970.45)	845.70
Total Income tax Expense	20,688.36	18,359.55

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(B) Reconciliation of tax expense and accounting profit multiplied by Company's domestic tax rate:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Accounting profit before taxes	81,835.72	63,142.71
Applicable tax rate	25.168%	25.168%
Computed tax expenses	20,596.41	15,891.76
Tax Adjustments for earlier years		
Current tax	20.04	-
Adjustments of tax relating to earlier years		
- Remeasurement of deferred tax on a/c of new tax regime	-	1,041.09
Others:		
Tax of income that is taxable at special rates	168.51	231.82
Effect of expenses that are non-deductible for tax purposes	873.84	1,390.28
Decrease (Increase) in deferred tax assets/ liabilities		
Retention & deferred retention assets	(298.22)	-
Retention & deferred retention liabilities	(8.02)	(0.28)
Lease liability	98.84	(226.15)
Gratuity & leave liability	(244.64)	71.36
Property, plant & equipment	(346.68)	(46.98)
Trade receivables	(171.72)	15.14
Mutual fund	-	(8.49)
Income tax expenses charged to Profit and Loss	20,688.36	18,359.55

39 EARNING PER SHARE

In accordance with Ind-AS 33 on 'Earning Per Share', the following table reconciles the numerator and denominator used to calculate basic and diluted earning per share:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
(a) Profit available to equity shareholders (₹ In lakhs)	61,147.36	44,783.12
(b) Weighted average number of equity shares	25,65,39,165	25,65,39,165
(c) Nominal value of equity shares (in ₹)	2.00	2.00
(d) Basic and diluted earnings per share [(a)/(b)]	23.84	17.46

40 CONTINGENT LIABILITIES & ASSETS

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Contingent Liabilities		
Claims against the Company not acknowledged as debts*		
Disputed demand of Income Tax for A.Y. 2010-11. (During the Previous Year Disputed demand of Income Tax (includes, net of prepaid taxes under verification, adjusted from demand of ₹ 3,351.00 lakhs arised in assessment of search proceedings up to AY 2012-13) for which company has won the appeal, but Department has filed appeal with Hon. High Court)	645.81	645.81
Disputed demand of Sales Tax/VAT/GST for which company preferred appeal	209.76	1,883.61
Disputed demand of Service Tax for which company preferred appeal	214.07	206.97
Disputed demand of Entry Tax for which company preferred appeal	20.08	38.00
Others (including motor accident, labour & civil matters)	101.60	84.93
(Interest and penalties if any, on above cases will be provided at the time of settlement)		
Court Case by NHAI against claim award of NH-24 Project	-	14,527.00
Other		
- Letter of Credit outstanding	27,120.42	10,624.00

* In respect of certain proposed disallowances and additions made by the Income Tax Authorities, appeal are pending before the appellate authorities and adjustment, if any, will be made after the same are finally settled.

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Contingent Assets

The status of various project claims in arbitrations is as under :

- (a) The Company had initiated arbitral proceedings against the Uttar Pradesh Public Works Department (UP PWD) for compensation for ₹ 851.31 lakhs (including interest) towards extra cost incurred on procurement of different material, distant source in relation to the project "rehabilitation Road (Gomat) under Uttar Pradesh State Road Project. The arbitral Tribunal has pronounced its unanimous award dt. March 07, 2014 for ₹ 702.31 lakhs (including interest) in favours of the Company. The respondent UP PWD has preferred objection against the aforesaid award before the Distt. Judge Mathura and the case was transferred to The Ld. Judge Commercial Court Agra and the Ld. Judge Commercial Court Agra had rejected the petition of UP PWD on January 30, 2020 and the petition has been filed by UP PWD in Hon'ble Allahabad High Court against Commercial Court order and Hon'ble court has dismissed the case by its order dated January 12, 2023 for none present of appellant (UP PWD) even revised call, UPPWD again filed application for recall of this order. Treatment of the same will be done on final settlement.
- (b) The Company had initiated arbitral proceedings against the HSRDC for compensation for ₹ 3,091.00 lakhs (including interest). The arbitral Tribunal has pronounced its unanimous award dt. February 02, 2019 for ₹ 3,091.00 lakhs in favour of the Company. The respondent HSRDC has challenged this award. HSRDC has filed an application u/s 36(2) in District Judge Chandigarh for stay of operation of impugned Award. Now next hearing is on May 26, 2023 for depositing the 100%/ awarded amount in the form of FDR in the name of court. Treatment of the same will be done on final settlement.
- (c) Further, the Company has filed four arbitration claims including claims for delay damages and interest which are pending at arbitration stage. The same will be accounted for on final settlement.

41 | GUARANTEES

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(i) Bank Guarantees - Executed in favour of National Highways Authority of India and others	2,82,324.68	2,98,762.10
(ii) Corporate guarantee -	-	3,455.07
- The outstanding liability at reporting date against the corporate guarantee of ₹ 20500.00 lakhs issued in favour of bank, jointly & severally along-with of promoter of the associates and further indemnified by another promoter to the extent of its shareholding for credit facilities extended to an associate (the entire share capital of which is held by Company and the said two promoter)*		

* For details refer note no 49

42 | COMMITMENTS

Particulars	(₹ in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for.	1,159.93	50.31
(b) Capital Commitment for Equity and others (net of investment)*		
Kanpur Lucknow Expressway Private Limited	16,516.00	-
Awadh Expressway Private Limited	16,453.00	-
Akkalkot Highways Private Limited	17,188.00	-
Yamuna Highways Private Limited	9,941.00	-
Hathras Highways Private Limited	8,398.00	-
Hardoi Highways Private Limited	9,649.00	-
Sonauli Gorakhpur Highways Private Limited	16,542.00	-
PNC Bundelkhand Highways Private Limited	-	2,000.00

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
PNC Triveni Sangam Highways Private Limited	2,056.00	4,956.00
PNC Challakere (Karnataka) Highways Private Limited	4,315.00	6,015.00
PNC Bithur Kanpur Highways Private Limited	3,195.00	9,695.00
PNC Gomti Highways Private Limited	3,441.00	12,982.00
PNC Meerut Haridwar Highways Private Limited	3,467.00	11,834.00
PNC Unnao Highways Private Limited	7,489.00	7,889.00

* For details refer note no 49

43 DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD-115 " REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) Contracts with customers

The Company has recognised ₹ 7,05,985.79 lakhs (P.Y. ₹ 6,29,816.61 lakhs) as revenue from contracts with customers during the year.

(b) Disaggregation of Revenue

Segments have been identified in accordance with Ind AS-108 on operating segments considering the risk or return profile of the business, As required under Ind AS 108, The Chairman and Managing Director of the Company have been identified as The Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as two segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

The Company's operations predominantly consist of infrastructure development and construction/project activities, hence there are no reportable segments under Ind AS-108 'Segment Reporting'.

(c) Contract Balances

Details of trade receivables, contract assets and contract liabilities arising from the contracts with customers are given below:

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Trade receivables (refer note 13)	1,90,551.29	1,27,281.78
Contract Assets:		
Retention and withheld money, security & other deposit (refer note 9 & 16)	13,164.77	19,972.47
Unbilled revenue (refer note 17)	5,138.57	-
Contract Liabilities:		
Advance from customers (refer note 24 & 29)	32,882.99	62,845.37

Revenue for construction contract is recognised in profit or loss in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to surveys of work performed. Revenue in excess of billing is recognised as unbilled revenue and is classified as Financial Assets for these cases as right to consideration is unconditional upon passage of time. Unbilled revenue has been reclassified to trade receivables upon billing to customers.

44 FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company principal financial asset includes loan, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Company's activities are exposed to market risk, credit risk and liquidity risk.

I. Market risk

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 prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimise the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

(i) The exposure of Company borrowings to interest rate changes at the end of reporting period are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	-	-
Fixed rate borrowings*	33,304.61	21,578.34
Total borrowings	33,304.61	21,578.34

*For Detail refer Note 20 & 25

(ii) As at the end of reporting period, the Company had the following variable rate borrowings.

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Variable rate borrowings	0.00%	-	0.00%	0.00%	-	0.00%
Net exposure to cash flow interest rate risk		-			-	

(iii) Sensitivity

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakhs)

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
₹	+50	+50	-	-
	- 50	- 50	-	-

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not operate internationally and as the Company has not obtained any foreign currency loans but import certain machineries and have foreign currency trade payables outstanding and is therefore, exchange to foreign exchange risk

The Company does not hedges its exposure of foreign currency risk.

The carrying amounts of the Company's foreign currency denominated monetary liabilities at the end of the reporting period as follows:

(₹ in Lakhs)

Foreign currency exposure as at	As at March 31, 2023	As at March 31, 2022
Trade Payable		
- Exposure in Dollars (In ₹)	2.05	-
- Exposure in Euros (In ₹)	549.69	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have the following impact on profit before tax and other comprehensive income:

(₹ in Lakhs)

Particulars	FY 2022-23		FY 2021-22	
	5% increase	5% decrease	5% increase	5% decrease
Dollars (₹)	(0.10)	0.10	-	-
Euros (In ₹)	(27.48)	27.48	-	-

(c) Price Risk

The Company exposure to equity securities price risk arises from the investments held by company and classified in the balance sheet at fair value through profit and loss. The Company does not have any investments whose value will be based on the market observable input at the current year end and previous year which are held for trading. Therefore no sensitivity is provided.

II. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an on going basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

- (i) Actual or expected significant adverse changes in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation
- (iv) Significant increase in credit risk an other financial instruments of the same counterparty
- (v) significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

The Company major exposure is from trade receivables, which are unsecured and derived from external customers. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in deposit with Bank for specified time period

The history of Trade Receivable shows a negligible allowance for bad & doubtful debts.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Ageing of Gross Carrying Amount		
0-180 Days	1,54,477.06	1,16,999.73
181-365 Days	22,832.79	1,130.93
More than 365 days	14,622.51	13,569.24
Gross Carrying Amount (refer note 13)	1,91,932.36	1,31,699.90
Less: Allowance for expected credit loss	(1,381.07)	(1,245.38)
Less: Allowance for credit impairment	-	(3,172.74)
Net Carrying Amount	1,90,551.29	1,27,281.78

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in Lakhs)

Movement in Expected Credit Loss Allowance	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	1,245.38	546.62
Add: Provision for expected credit loss (refer note 37)	300.35	698.76
Less: Reversal of provision for expected credit Loss (refer note 37)	(164.66)	-
	1,381.07	1,245.38

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default data over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. In case of probability of non collection, default rate is 100%

III. Liquidity Risk

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth project. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in Lakhs)

As at March 31, 2023	Carrying Amount	On Demand	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings (refer note no 20 & 25)	44,996.25	11,307.73	27,687.61	5,905.72	95.19	44,996.25
Trade payables (refer note no 27)	67,900.68	-	67,900.68	-	-	67,900.68
Other liabilities (refer note no 21, 22, 26 & 28)	61,583.12	-	23,326.10	37,964.93	292.09	61,583.12
Total	1,74,480.05	11,307.73	1,18,914.39	43,870.65	387.28	1,74,480.05

(₹ in Lakhs)

As at March 31, 2022	Carrying Amount	On Demand	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings (refer note no 20 & 25)	21,578.34	-	8,654.43	12,626.65	297.26	21,578.34
Trade payables (refer note no 27)	50,755.04	-	50,755.04	-	-	50,755.04
Other liabilities (refer note no 21, 22, 26 & 28)	56,315.91	-	22,010.11	33,937.78	368.02	56,315.91
Total	1,28,649.29	-	81,419.58	46,564.43	665.28	1,28,649.29

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of reporting period:

(₹ in Lakhs)

Movement in Expected Credit Loss Allowance	As at March 31, 2023	As at March 31, 2022
Cash Credit	80,000.00	1,00,000.00
Bank Guarantee	1,90,554.90	1,90,613.90
Total	2,70,554.90	2,90,613.90

45 CAPITAL MANAGEMENT

(a) Risk Management

The primary objective of the Company's capital management is to maximise the shareholder value and also maintain an optimal capital structure to reduce cost of capital. The principle source of funding of the Company has been and is expected to continue to be, cash generated from its operation supplemented by funding from bank borrowing and the capital market. The Company is not subject to any externally imposed capital requirements

The Company regularly considers other financing opportunities to diversify its debt profile, reduce Interest cost

The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital

(₹ in Lakhs)

Movement in Expected Credit Loss Allowance	As at March 31, 2023	As at March 31, 2022
Debt (refer note no 20 & 25)	44,996.25	21,578.34
Less : Cash & Bank balances (refer note no 14 (i))	(29,278.57)	(40,684.20)
Net Debt	15,717.68	(19,105.86)
Total Equity (refer note no 18 & 19)	3,94,156.19	3,34,021.33
Gearing Ratio	0.04	(0.06)

Notes-

- (i) Debt is defined as long-term and short-term borrowings including current maturities (excluding derivatives) as described in notes
- (ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

(b) Loan Covenants

In order to achieve this overall objective, the Company capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the current years and previous years.

46 FAIR VALUE MEASUREMENT

Financial instruments by category

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
Financial Asset						
Investments						
- Investments in equity instruments (refer note no 7C)	-	55.54	-	-	55.54	-

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
Trade receivables (refer note no 13)	1,90,551.29	-	-	1,27,281.78	-	-
Cash and cash equivalents (refer note no 14(i))	29,278.57	-	-	40,684.20	-	-
Bank balances (refer note no 14(ii))	8,059.61	-	-	12,084.56	-	-
Loans (refer note no 8 & 15)	74,422.00	-	-	79,586.00	-	-
Other financial assets (refer note no 9 & 16)	16,002.60	-	-	22,764.87	-	-
Total Financial Assets	3,18,314.07	55.54	-	2,82,401.41	55.54	-
Financial Liabilities						
Borrowings (refer note no 20 & 25)	44,996.25			21,578.34		
Lease liabilities (refer note no 21 & 26)	1,017.74			1,410.43		
Trade payables (refer note no 27)	67,900.68			50,755.04		
Other financial liabilities (refer note no 22 & 28)	60,566.76			54,906.73		
Total Financial Liabilities	1,74,481.43	-	-	1,28,650.54	-	-

(i) Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (A) recognised and measured at fair value and (B) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the group has classified its financial instruments into three levels prescribed under the accounting standards.

The following table provides the fair value measurement hierarchy of company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

(₹ in Lakhs)

Particulars	Fair Value Measurement using		
	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(A) Financial Asset and Liabilities measured at fair value through profit and loss or other comprehensive income as at March 31, 2023			
(i) Financial Assets			
- Investments in equity instruments (refer note no 7C)			55.54
Total	-	-	55.54
(B) Financial Assets and Liabilities measured at amortised cost for which fair values are disclosed as at March 31, 2023			
(i) Financial Assets			
- Retention/ Withheld (refer note 9 & 16)			13,164.77
Total	-	-	13,164.77

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in Lakhs)

Particulars	Fair Value Measurement using		
	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(ii) Financial Liabilities			
- Borrowing (refer note 20 & 25)	-	44,996.25	-
- Retentions & Security Deposit (refer note 22 & 28)	-	-	53,375.87
Total	-	44,996.25	53,375.87

(₹ in Lakhs)

Particulars	Fair Value Measurement using		
	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(A) Financial Asset and Liabilities measured at fair value through profit and loss or other comprehensive income as at March 31, 2022			
- Investments in equity instruments (refer note 7C)			55.54
Total	-	-	55.54
(B) Financial Assets and Liabilities measured at amortised cost for which fair values are disclosed as at March 31, 2022			
(i) Financial Assets			
- Retention/ Withheld (refer note 9 & 16)	-	-	19,972.47
Total	-	-	19,972.47
(ii) Financial Liabilities			
- Borrowing (refer note 20 & 25)	-	21,578.34	-
- Retentions & Security Deposit (refer note 22 & 28)	-	-	48,464.38
Total	-	21,578.34	48,464.38

(ii) Valuation techniques used to determine Fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Specific valuation technique used to value financial instrument includes:

- > the use of quoted market prices or dealer quotes for similar financial instruments.
- > the fair value of financial assets and liabilities at amortised cost is determined using discounted cash flow analysis

The following method and assumptions are used to estimate fair values:

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, short term deposits etc. are considered to be their fair value, due to their short term nature

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Company is considered to be insignificant in valuation.

In case of Investment in equity shares of company other than subsidiary, associates & joint ventures is measured at cost on the basis of assessment by management and the cost represent the best estimate of fair value within that range.

Financial assets and liabilities measured at fair value and the carrying amount is the fair value.

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

47 OPERATING SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM), who regularly monitors and reviews the operating result for following operating segments of the Company:

- i "Construction & Contract related activity", includes engineering, procurement and construction activity of the infra projects;
- ii "Water EPC", includes supply of water under water agreement

48 DETAIL OF EMPLOYEE BENEFIT EXPENSES

The disclosures required by Ind- AS-19 "Employee Benefits" are as under:

(a) Defined Contribution Plan

- (i) The contribution to provident fund is charged to accounts on accrual basis. The contribution made by the Company during the year is ₹ 225.31 lakhs (previous year ₹ 319.65 lakhs)
- (ii) In respect of short term employee benefits, the Company has at present only the scheme of cumulative benefit of leave encashment payable at the time of retirement/ cessation and the same have been provided for on accrual basis as per actuarial valuation.

(b) Defined Benefit Plan

- (i) Liability for retiring gratuity as on March 31, 2023 is ₹ 1,672.05 lakhs (Previous year ₹ 1,497.78 lakhs). The liability for Gratuity is actuarially determined and provided for in the books.
- (ii) Details of the Company's post-retirement gratuity plans and leave encashment for its employees including whole-time directors are given below, which is certified by the actuary and relied upon by the auditors

(₹ in Lakhs)

Particulars	Gratuity	
	FY 2022-23	FY 2021-22
1. Change in Present Value of Obligation		
Present value of obligation at the beginning of the year	2,320.02	1,621.62
Interest cost	150.23	105.20
Current service cost	497.83	366.48
Past service cost	-	-
Benefits paid	(17.43)	(6.32)
Actuarial gain/(loss) on obligation		
a) Effect of changes in demographic assumptions	-	-
b) Effect of changes in financial assumptions	(45.06)	-
c) Effect of experience adjustments	38.67	233.04
Present value of obligation at end of the year	2,944.26	2,320.02
Current obligation	709.82	531.12
Non current obligation	2,234.44	1,788.90
2. Change in Fair Value of Plan Assets		
Fair value of plan assets at the beginning of the year	822.24	631.37
Acquisition adjustment		
Interest Income	60.20	47.24
Contributions	225.31	319.65
Benefits paid	(17.43)	(6.32)
Actuarial gain/(loss) on plan assets	181.89	(169.70)
Fair value of plan assets at the end of the year	1,272.21	822.24
3. Amount to be recognised in Balance Sheet		
Present value of obligation as at end of the year	2,944.26	2,320.02
Fair value of plan assets as at the end of the year	(1,272.21)	(822.24)

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in Lakhs)

Particulars	Gratuity	
	FY 2022-23	FY 2021-22
Funded Status	1,672.05	1,497.78
Effect of asset ceiling	-	-
Net Asset/(liability) recognised in Balance Sheet	1,672.05	1,497.78
4. Expenses recognised in the statement of profit & loss		
Current service cost	497.83	366.48
Past service cost	-	-
Net Interest cost	-	-
Interest expense on DBO	150.23	105.20
Interest income on plan assets	60.20	47.24
Total net interest cost	90.03	57.96
Net actuarial (gain)/loss recognised in profit/loss		
Expenses recognised in the statement of Profit & Loss	587.86	424.44
5. Recognised in other comprehensive income for the year		
a) Effect of changes in demographic assumptions	-	-
b) Effect of changes in financial assumptions	(45.06)	-
c) Effect of experience adjustments	38.67	233.04
d) (Return) on plan assets (excluding interest income)	181.89	(169.70)
e) Changes in asset ceiling (excluding interest income)	-	-
f) Total remeasurements included in OCI	(143.22)	402.74
Actuarial gain / (loss) for the year on DBO	38.67	233.04
Returns above interest cost	181.89	(169.70)
Actuarial gain /(loss) for the year on asset	-	-
Unrecognised actuarial gain/(loss) at the end of the year	-	-
6. Maturity Profile of Defined Benefit Obligation		
1. Within the next 12 months (next annual reporting period)	2,105.66	844.16
2. Between 1 and 5 years	2,621.62	1,577.43
3. Between 6 and 10 years	852.07	459.42
7. Quantitative sensitivity analysis for significant assumptions is as below		
Impact of the change in discount rate		
Present Value of Obligation at the end of the year		
a. Impact due to increase of 100 Basis Points	2,858.49	2,247.23
b. Impact due to decrease of 100 Basis Points	3,035.94	2,397.93
Impact due to increase in salary		
Present Value of Obligation at the end of the year		
a. Impact due to increase of 100 Basis Points	3,049.37	2,385.84
b. Impact due to decrease of 100 Basis Points	2,844.27	2,257.22
Attrition Rate		
Present Value of Obligation at the end of the year		
a. Impact due to increase of 100 Basis Points	2,935.26	2,309.99
b. Impact due to decrease of 100 Basis Points	2,953.10	2,329.97

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(iii) Sensitivity Analysis Method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

(₹ in Lakhs)

Sensitivity analysis - DBO end of year	March 31, 2023	March 31, 2022
1. Discount rate +100 basis points	2,858.49	2,247.23
2. Discount rate -100 basis points	3,035.94	2,397.93
3. Salary Increase Rate +1%	3,049.37	2,385.84
4. Salary Increase Rate -1%	2,844.27	2,257.22
5. Attrition Rate +1%	2,935.26	2,309.99
6. Attrition Rate -1%	2,953.10	2,329.97

(₹ in Lakhs)

Significant Actuarial assumptions	March 31, 2023	March 31, 2022
a) Economic Assumptions		
i. Discounting Rate	7.0%	6.5%
Expected Return on Plan Assets	6.5%	6.5%
ii. Salary escalation	5%	5%
iii. Attrition rate	25%	25%
b) Demographic Assumption		
i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability	100% of IALM 2012-14	100% of IALM 2012-14
Disability	No explicit provision	No explicit provision

Mortality Rates for specimen ages

Age	Mortality Rate	Age	Mortality Rate
20	0.000924	50	0.004436
25	0.000931	55	0.007513
30	0.000977	58	0.009651
35	0.001202	60	0.011162
40	0.001680	65	0.015932
45	0.002579	70	0.024058

(C) Defined Term Employee Benefits Leave Obligation

(₹ in Lakhs)

Particulars	Leave Obligation	
	FY 2022-23	FY 2021-22
Present Value of unfunded obligation	564.62	578.55
Expenses recognised in Statement of Profit and Loss	158.86	149.96
Discount rate (p.a)	7.0%	6.5%
Salary increase rate (p.a)	5%	5%

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

49 RELATED PARTY DISCLOSURES

The names of related parties where control exist and/or with whom transactions have taken place during the year and description of relationship as identified and certified by the management are:

A. List of Related Parties and Relationships

Subsidiaries (The Ownership Directly or Indirectly through subsidiaries)

- 1 MP Highways Private Limited
- 2 PNC Kanpur Highways Limited
- 3 PNC Delhi Industrialinfra Private Limited
- 4 PNC Infra Holdings Limited
- 5 Ferrovia Transrail Solutions Private Limited (up to March 02, 2023)
- 6 PNC Kanpur Ayodhya Tollways Private Limited
- 7 PNC Raebareli Highways Private Limited
- 8 PNC Bareilly Nainital Highways Private Limited
- 9 PNC Rajasthan Highways Private Limited
- 10 PNC Bundelkhand Highways Private Limited
- 11 PNC Khajuraho Highways Private Limited
- 12 PNC Chitradurga Highways Private Limited
- 13 PNC Triveni Sangam Highways Private Limited
- 14 PNC Aligarh Highways Private Limited
- 15 PNC Challakere (Karnataka) Highways Private Limited
- 16 PNC Gomti Highways Private Limited
- 17 PNC Unnao Highways Private Limited
- 18 PNC Bithur Kanpur Highways Private Limited
- 19 PNC Meerut Haridwar Highways Private Limited
- 20 Kanpur Lucknow Expressway Private Limited (w.e.f April 11, 2022)
- 21 Hardoi Highways Private Limited (w.e.f April 11, 2022)
- 22 Awadh Expressway Private Limited (w.e.f April 13, 2022)
- 23 Sonauli Gorakhpur Highways Private Limited (w.e.f April 21, 2022)
- 24 Akkalkot Highways Private Limited (w.e.f April 22, 2022)
- 25 Yamuna Highways Private Limited (w.e.f April 25, 2022)
- 26 Hathras Highways Private Limited (w.e.f April 25, 2022)

Associates

- 1 Ghaziabad Aligarh Expressway Private Limited (up to May 26, 2022)

Key Managerial Personal (KMP)

- | | | |
|---|-------------------------|----------------------------------|
| 1 | Pradeep Kumar Jain | (Chairman and Managing Director) |
| 2 | Chakresh Kumar Jain | (Managing Director) |
| 3 | Yogesh Kumar Jain | (Managing Director) |
| 4 | Anil Kumar Rao | (Whole Time Director) |
| 5 | Talluri Raghupati Rao | (Whole Time Director) |
| 6 | Bhupinder Kumar Sawhney | (Chief Financial Officer) |
| 7 | Tapan Jain | (Company Secretary) |

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Relatives of Key Managerial Personal

1	Meena Jain	(W/o Pradeep Kumar Jain)
2	Renu Jain	(W/o Brother of Director)
3	Madhavi Jain	(W/o Chakresh Kumar Jain)
4	Ashita Jain	(W/o Yogesh Kumar Jain)
5	Bijali Rao	(W/o Anil Kumar Rao)
6	Harshvardhan Jain	(S/o Chakresh Kumar Jain)
7	Naveen Kumar Jain	(Brother of Chairman and Managing Director)
8	Anuj Jain	(S/o Chakresh Kumar Jain)
9	Vaibhav Jain (w.e.f November 01, 2022)	(S/o Naveen Kumar Jain)
10	Anirudh Jain (w.e.f November 01, 2022)	(S/o Pradeep Kumar Jain)

Enterprises over which Key Managerial person are able to exercise significant influence

1	Pradeep Kumar Jain HUF
2	Yogesh Kumar Jain HUF (up to July 31, 2022)
3	Naveen Kumar Jain HUF
4	M.A. Buildtech Private Limited (up to July 31, 2022)
5	Taj Infrabuilders Private Limited (up to July 31, 2022)
6	Subhash International Private Limited
7	Exotica Buildtech Private Limited (up to July 31, 2022)
8	Shri Mahaveer Infrastructure Private Limited
9	Gional Infratech LLP
10	Royal Megatech Private Limited
11	Ideal Buildtech Private Limited
12	AHVS Infra LLP
13	SPIPL Manning Private Limited
14	Mahaveer Manning Private Limited
15	M.A.Infraprojects Private Limited

B. Transactions with Related Parties

(₹ in Lakhs)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	Transactions during the year		
1	Receipt on account of EPC and Others		
	Subsidiaries		
	PNC Gomti Highways Private Limited	71,775.24	35,272.53
	PNC Bithur Kanpur Highways Private Limited	63,295.39	69,495.35
	PNC Meerut Haridwar Highways Private Limited	59,244.71	23,576.84
	PNC Unnao Highways Private Limited	50,288.42	29,413.94
	PNC Triveni Sangam Highways Private Limited	38,996.21	47,191.22
	PNC Challakere (Karnataka) Highways Private Limited	29,535.03	27,780.62
	Awadh Expressway Private Limited	9,641.04	-
	PNC Kanpur Highways Limited	9,516.49	1,945.86
	Kanpur Lucknow Expressway Private Limited	7,985.82	-

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in Lakhs)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	Hathras Highways Private Limited	5,394.93	-
	Hardoi Highways Private Limited	5,112.49	-
	PNC Bareilly Nainital Highways Private Limited	3,622.78	-
	PNC Kanpur Ayodhya Tollways Private Limited	3,463.22	5,669.20
	Akkalkot Highways Private Limited	2,133.07	-
	Sonauli Gorakhpur Highways Private Limited	1,973.52	-
	PNC Bundelkhand Highways Private Limited	1,896.34	22,042.27
	PNC Aligarh Highways Private Limited	1,748.73	11,178.26
	PNC Khajuraho Highways Private Limited	801.70	10,037.41
	MP Highways Private Limited	452.00	270.28
	PNC Rajasthan Highways Private Limited	86.74	1,138.53
	PNC Chitradurga Highways Private Limited	(63.01)	22,179.79
	Enterprises over which Key Managerial person are able to exercise significant influence		
	AHVS Inra LLP	448.36	-
	Total	3,67,349.24	3,07,192.10
2	Payment of Rent/Services		
	Key Managerial Personal (KMP)		
	Pradeep Kumar Jain	13.50	13.50
	Chakresh Kumar Jain	15.00	15.00
	Yogesh Kumar Jain	15.00	15.00
	Relatives of KMP		
	Naveen Kumar Jain	13.50	13.50
	Meena Jain	32.75	32.75
	Madhavi Jain	17.75	17.75
	Renu Jain	17.75	17.75
	Ashita Jain	17.75	17.75
	Anuj Jain	12.00	2.00
	Enterprises over which Key Managerial person are able to exercise significant influence		
	Subhash International Private Limited	71.58	71.58
	Gional Infratech LLP	62.53	60.00
	M.A.Infraprojects Private Limited	48.00	8.00
	Royal Megatech Private Limited	40.20	33.50
	Mahaveer Manning Private Limited	30.00	5.00
	SPIPL Manning Private Limited	18.00	5.00
	Pradeep Kumar Jain HUF	18.00	18.00
	Naveen Kumar Jain HUF	15.00	15.00
	Exotica Buildtech Private Limited	6.30	18.90
	Shri Mahaveer Infrastructure Private Limited	4.80	4.80
	Yogesh Kumar Jain HUF	4.00	12.00
	Taj Infrabuilders Private Limited	3.75	14.44

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	M.A. Buildtech Private Limited	1.25	3.75
	AHVS Infra LLP	15,020.65	8,583.41
	Total	15,499.05	8,998.37
3	Mobilisation Advance Received/Security Deposits		
	Subsidiaries		
	PNC Bithur Kanpur Highways Private Limited	-	10,260.00
	PNC Challakere (Karnataka) Highways Private Limited	-	5,785.00
	PNC Gomti Highways Private Limited	-	14,480.36
	PNC Meerut Haridwar Highways Private Limited	-	13,363.57
	PNC Unnao Highways Private Limited	-	16,020.00
	Enterprises over which Key Managerial person are able to exercise significant influence		
	Ideal Buildtech Private Limited	-	50.00
	Total	-	59,958.93
4	Interest Expenses on mobilisation advance		
	Subsidiaries		
	PNC Unnao Highways Private Limited	416.20	334.82
	PNC Meerut Haridwar Highways Private Limited	316.96	320.93
	PNC Challakere (Karnataka) Highways Private Limited	301.45	313.89
	PNC Bithur Kanpur Highways Private Limited	247.94	547.20
	PNC Gomti Highways Private Limited	233.40	352.49
	PNC Triveni Sangam Highways Private Limited	23.81	276.41
	Total	1,539.75	2,145.73
5	Purchase of Investment and Shares Application Money in Equity Share Capital		
	Subsidiaries		
	PNC Infra Holdings Limited	16,353.00	15,401.00
	Kanpur Lucknow Expressway Private Limited*	0.00	-
	Hardoi Highways Private Limited*	0.00	-
	Awadh Expressway Private Limited*	0.00	-
	Sonauli Gorakhpur Highways Private Limited*	0.00	-
	Akkalkot Highways Private Limited*	0.00	-
	Yamuna Highways Private Limited*	0.00	-
	Hathras Highways Private Limited*	0.00	-
	* Figures are nil due to rounding off norms adopted by the Company		-
	Total	16,353.01	15,401.00
6	Loan given in lieu of equity		
	Subsidiaries		
	PNC Chitradurga Highways Private Limited	6,500.00	1,700.00
	PNC Khajuraho Highways Private Limited	5,500.00	1,934.00
	PNC Gomti Highways Private Limited	4,674.00	-
	PNC Meerut Haridwar Highways Private Limited	4,099.00	466.00

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in Lakhs)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	PNC Bithur Kanpur Highways Private Limited	3,185.00	4,261.00
	PNC Triveni Sangam Highways Private Limited	1,421.00	1,372.00
	PNC Bundelkhand Highways Private Limited	980.00	-
	PNC Challakere (Karnataka) Highways Private Limited	833.00	2,555.00
	Akkalkot Highways Private Limited	600.00	-
	Kanpur Lucknow Expressway Private Limited	500.00	-
	Awadh Expressway Private Limited	500.00	-
	Yamuna Highways Private Limited	400.00	-
	PNC Unnao Highways Private Limited	196.00	3,377.00
	Hardoi Highways Private Limited	50.00	-
	Sonauli Gorakhpur Highways Private Limited	50.00	-
	Hathras Highways Private Limited	50.00	-
	PNC Aligarh Highways Private Limited	-	1,274.00
	PNC Rajasthan Highways Private Limited	-	2,000.00
	Associate		
	Ghaziabad Aligarh Expressway Private Limited	-	4,080.00
	Total	29,538.00	23,019.00
7	Loan taken		
	Subsidiaries		
	PNC Kanpur Ayodhya Tollways Private Limited	7,707.73	-
	PNC Delhi Industrialinfra Private Limited	4,000.00	-
	Total	11,707.73	-
8	Other Professional, Technical Work Income		
	Subsidiaries		
	Ferrovial Transrail Solutions Private Limited	-	10.42
	Total	-	10.42
9	Interest Income		
	Subsidiaries		
	PNC Aligarh Highways Private Limited	-	360.18
	Enterprises over which Key Managerial person are able to exercise significant influence		
	Gional Infratech LLP	24.00	32.00
	Total	24.00	392.18
10	Compensation to Key Managerial Personal*		
	Key Managerial Personal (KMP)		
	Pradeep Kumar Jain	1,232.13	1,200.93
	Chakresh Kumar Jain	1,199.13	1,170.93
	Yogesh Kumar Jain	1,199.13	1,170.93
	Anil Kumar Rao	106.43	96.75
	Talluri Raghupati Rao	91.21	76.78
	Bhupinder Kumar Sawhney	75.52	79.58
	Tapan Jain	24.07	25.06

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	Director's Sitting fees		
	Gauri Shankar	2.65	1.60
	Ashok Kumar Gupta	2.65	2.00
	Krishan Kumar Jalan	1.60	1.10
	Subhash Chander Kalia	1.60	0.90
	Deepika Mittal	2.50	1.90
	Total	3,938.61	3,828.45
11	Relatives of Key Managerial Personal		
	Employee benefit expenses		
	Bijali Rao	16.20	16.20
	Harshvardhan Jain	58.38	51.09
	Anuj Jain	10.28	-
	Vaibhav Jain	10.28	-
	Anirudh Jain	10.28	-
	Total	105.41	67.29

*Actuarial valuation for the gratuity has been done on company as a whole, so segregation for the same has not done.

C Balances Outstanding at Reporting Date

(₹ in Lakhs)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Balance Outstanding		
	Subsidiaries		
	PNC Triveni Sangam Highways Private Limited	20,595.13	11,548.81
	Awadh Expressway Private Limited	11,183.61	-
	Kanpur Lucknow Expressway Private Limited	9,263.55	-
	PNC Gomti Highways Private Limited	8,321.42	20,663.97
	PNC Meerut Haridwar Highways Private Limited	7,489.93	7,447.16
	PNC Unnao Highways Private Limited	7,333.22	3,220.16
	PNC Bithur Kanpur Highways Private Limited	7,140.31	14,768.49
	PNC Challakere (Karnataka) Highways Private Limited	6,960.46	944.54
	Hathras Highways Private Limited	6,258.12	-
	PNC Bundelkhand Highways Private Limited	5,972.61	11,273.09
	Hardoi Highways Private Limited	5,930.49	-
	PNC Kanpur Highways Limited	3,438.43	596.22
	PNC Bareilly Nainital Highways Private Limited	2,548.98	1.43
	Akkalkot Highways Private Limited	2,474.36	-
	Sonauli Gorakhpur Highways Private Limited	2,289.29	-
	PNC Khajuraho Highways Private Limited	2,243.08	3,661.58
	PNC Chitradurga Highways Private Limited	242.21	5,323.24
	MP Highways Private Limited	230.53	12.46
	PNC Raebareli Highways Private Limited	32.99	32.99
	PNC Kanpur Ayodhya Tollways Private Limited	18.44	151.72

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in Lakhs)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
	PNC Rajasthan Highways Private Limited	-	417.86
	PNC Delhi Industrialinfra Private Limited	-	0.73
	PNC Aligarh Highways Private Limited	-	428.68
	Associate		
	Ghaziabad Aligarh Expressway Private Limited	-	5,508.05
	Security Deposit		
	Relatives of KMP		
	Meena Jain	25.00	25.00
	Madhavi Jain	25.00	25.00
	Renu Jain	25.00	25.00
	Ashita Jain	25.00	25.00
	Anuj Jain	7.00	7.00
	Enterprises over which Key Managerial person are able to exercise significant influence		
	Subhash International Private Limited	724.23	724.23
	Gional Infratech LLP	650.40	628.80
	Ideal Buildtech Private Limited	-	50.00
	AHVS Infra LLP	-	285.59
2	Loan Outstanding		
	Subsidiaries		
	PNC Bareilly Nainital Highways Private Limited	9,650.00	9,650.00
3	Loan Outstanding in lieu of equity		
	Subsidiaries		
	PNC Triveni Sangam Highways Private Limited	8,430.00	7,009.00
	PNC Bithur Kanpur Highways Private Limited	7,936.00	4,751.00
	PNC Khajuraho Highways Private Limited	6,480.00	6,480.00
	PNC Aligarh Highways Private Limited	6,419.00	6,419.00
	PNC Chitradurga Highways Private Limited	6,400.00	6,400.00
	PNC Bundelkhand Highways Private Limited	6,272.00	5,292.00
	PNC Gomti Highways Private Limited	5,164.00	490.00
	PNC Meerut Haridwar Highways Private Limited	4,589.00	490.00
	PNC Unnao Highways Private Limited	4,063.00	3,867.00
	PNC Rajasthan Highways Private Limited	3,904.00	4,804.00
	PNC Challakere (Karnataka) Highways Private Limited	3,780.00	2,947.00
	Akkalkot Highways Private Limited	600.00	-
	Kanpur Lucknow Expressway Private Limited	500.00	-
	Awadh Expressway Private Limited	500.00	-
	Yamuna Highways Private Limited	400.00	-
	Hardoi Highways Private Limited	50.00	-
	Sonauli Gorakhpur Highways Private Limited	50.00	-
	Hathras Highways Private Limited	50.00	-
	Associate	-	
	Ghaziabad Aligarh Expressway Private Limited	-	21,802.00
	Total	1,86,685.77	1,68,197.79

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
4	Loan payable		
	Subsidiaries		
	PNC Kanpur Ayodhya Tollways Private Limited	7,307.73	-
	PNC Delhi Industrialinfra Private Limited	4,000.00	-
5	Mobilisation Advance payable as at		
	Subsidiaries		
	PNC Challakere (Karnataka) Highways Private Limited	4,645.81	5,235.65
	PNC Unnao Highways Private Limited	4,017.52	9,911.22
	PNC Meerut Haridwar Highways Private Limited	1,699.47	7,652.41
	PNC Bithur Kanpur Highways Private Limited	-	11,928.25
	PNC Gomti Highways Private Limited	-	8,797.60
	PNC Kanpur Ayodhya Tollways Private Limited	-	172.29
	PNC Triveni Sangam Highways Private Limited	-	2,945.82
6	Other Payable as at		
	Subsidiaries		
	PNC Aligarh Highways Private Limited	1.06	-
	PNC Delhi Industrialinfra Private Limited	0.01	-
	Enterprises over which Key Managerial person are able to exercise significant influence		
	Subhash International Private Limited	-	19.33
	Total	21,671.61	46,662.57
7	Corporate Guarantee Given on behalf of**		
	Associate		
	Ghaziabad Aligarh Expressway Private Limited	-	3,455.07
	Total	-	3,455.07
8	Capital Commitment for Equity Given on behalf of***		
	Subsidiaries		
	Kanpur Lucknow Expressway Private Limited	16,516.00	-
	Awadh Expressway Private Limited	16,453.00	-
	Akkalkot Highways Private Limited	17,188.00	-
	Yamuna Highways Private Limited	9,941.00	-
	Hathras Highways Private Limited	8,398.00	-
	Hardoi Highways Private Limited	9,649.00	-
	Sonauli Gorakhpur Highways Private Limited	16,542.00	-
	PNC Bundelkhand Highways Private Limited	-	2,000.00
	PNC Triveni Sangam Highways Private Limited	2,056.00	4,956.00
	PNC Challakere (Karnataka) Highways Private Limited	4,315.00	6,015.00
	PNC Bithur Kanpur Highways Private Limited	3,195.00	9,695.00
	PNC Gomti Highways Private Limited	3,441.00	12,982.00
	PNC Unnao Highways Private Limited	7,489.00	7,889.00
	PNC Meerut Haridwar Highways Private Limited	3,467.00	11,834.00
	Total	1,18,650.00	55,371.00

** For details refer Note 41

*** For details refer Note 42

D Terms and Conditions

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances are unsecured and will be settled in cash.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

50 DISCLOSURE OF SIGNIFICANT INTEREST IN SUBSIDIARIES & ASSOCIATE

Investments in the following subsidiaries, step down subsidiaries & associate companies are accounted at cost

Particulars	Relationship	Place of business	% of ownership held as at	
			March 31, 2023	March 31, 2022
Subsidiaries/ Step down subsidiaries				
Ferrovia Transrail Solutions Private Limited	Subsidiary	India	0.00%	51.00%
PNC Infra Holdings Limited	Subsidiary	India	100.00%	100.00%
PNC Bareilly Nainital Highways Private Limited	Subsidiary	India	100.00%	100.00%
MP Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Kanpur Highways Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Delhi Industrialinfra Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Kanpur Ayodhya Tollways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Raebareli Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Rajasthan Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Bundelkhand Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Khajuraho Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Chitradurga Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Triveni Sangam Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Aligarh Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Challakere (Karnataka) Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Gomti Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Unnao Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Bithur Kanpur Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
PNC Meerut Haridwar Highways Private Limited	Step-down subsidiary	India	100.00%	100.00%
Kanpur Lucknow Expressway Private Limited	Step-down subsidiary	India	100.00%	-
Hardoi Highways Private Limited	Step-down subsidiary	India	100.00%	-
Awadh Expressway Private Limited	Step-down subsidiary	India	100.00%	-
Sonauli Gorakhpur Highways Private Limited	Step-down subsidiary	India	100.00%	-
Akkalkot Highways Private Limited	Step-down subsidiary	India	100.00%	-
Yamuna Highways Private Limited	Step-down subsidiary	India	100.00%	-
Hathras Highways Private Limited	Step-down subsidiary	India	100.00%	-
Associate company				
Ghaziabad Aligarh Expressway Private Limited	Associate	India	0.00%	35.00%

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

51 DISCLOSURE UNDER REGULATION 34(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Particulars	Amount outstanding as at		Maximum balance outstanding during the year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Loan to Subsidiary company				
PNC Bareilly Nainital Highways Private Limited	9,650.00	9,650.00	9,650.00	11,412.63
Loan to Step down Subsidiary companies				
PNC Aligarh Highways Private Limited*	6,419.00	6,419.00	6,419.00	6,419.00
PNC Bundelkhand Highways Private Limited*	6,272.00	5,292.00	6,272.00	5,292.00
PNC Challakere (Karnataka) Highways Private Limited*	3,780.00	2,947.00	3,780.00	2,947.00
PNC Chitradurga Highways Private Limited*	6,400.00	6,400.00	9,900.00	6,400.00
PNC Khajuraho Highways Private Limited*	6,480.00	6,480.00	9,880.00	7,280.00
PNC Rajasthan Highways Private Limited*	3,904.00	4,804.00	4,804.00	4,804.00
PNC Triveni Sangam Highways Private Limited*	8,430.00	7,009.00	8,430.00	7,009.00
PNC Bithur Kanpur Highways Private Limited*	7,936.00	4,751.00	7,936.00	4,751.00
PNC Gomti Highways Private Limited*	5,164.00	490.00	5,164.00	490.00
PNC Unnao Highways Private Limited*	4,063.00	3,867.00	4,063.00	3,867.00
PNC Meerut Haridwar Highways Private Limited*	4,589.00	490.00	4,589.00	490.00
Kanpur Lucknow Expressway Private Limited*	500.00	-	500.00	-
Awadh Expressway Private Limited*	500.00	-	500.00	-
Yamuna Expressway Private Limited*	400.00	-	400.00	-
Hardoi Highways Private Limited*	50.00	-	50.00	-
Sonauli Gorakhpur Highways Private Limited*	50.00	-	50.00	-
Hathras Highways Private Limited*	50.00	-	50.00	-
Akkalkot Highways Private Limited*	600.00	-	600.00	-
Loan to Associate company				
Ghaziabad Aligarh Expressway Private Limited	-	21,802.00	21,802.00	29,846.56

*Including loan to its subsidiaries in lieu of equity (refer note no 8)

The Company is engaged in the business of providing infrastructural facilities as per Section 186(11) of the Act. Accordingly, disclosure under section 186(4) of the Act, is not applicable to the Company.

52 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company planned towards Corporate Social Responsibility (CSR) activities at least two per cent of the average net profits of the Company made during the three immediately preceding financial years. The areas for CSR activities are promoting education, healthcare, social welfare, art & culture, empowering women, COVID-19 relief

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
i) Amount required to be spent by the Company during the year	1,272.25	1,047.80
ii) Amount of expenditure incurred	1,276.63	1,049.28
iii) Shortfall at the end of the year	-	-
iv) Nature of CSR activities	Promoting education, healthcare, Social Welfare, art & culture, Empowering Women, COVID-19 relief	

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

53 | NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakhs)		
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Investments in equity instruments		
In Associate		
2,93,24,000 Equity shares of Ghaziabad Aligarh Expressway Private Limited of ₹ 10 each	-	2,932.40
Less : Impairment loss on investment (refer note no 37)	-	(2,856.82)
Total	-	75.58

The Company, along with its wholly owned subsidiary, PNC Infra Holdings Limited and other partners/promoters, on April 01, 2021, has entered into a 'Share Purchase Agreement' and other related transaction documents inter alia for sale its entire stake of 35% (which includes 19.88% stake held by PNC Infra Holdings Limited, a wholly owned subsidiary of company) in Ghaziabad Aligarh Expressway Private Limited, an "Associate" of the Company to Cube Highways and Infrastructure Pte Limited ("Cube Highways"). This transaction was subject to receipt of applicable regulatory and complying with the conditions precedent, more specifically laid down in the share purchase agreement. The Company had provided impairment of ₹ 12,972.12 lakhs in other expenses, in previous year. Now the deal is finally concluded on May 26, 2022 and total consideration has been received.

54 | LEASES

(₹ in Lakhs)		
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Gross carrying value		
Opening Balance	2,217.33	920.09
Addition during the period	111.63	1,297.24
Disposal / Adjustments	280.49	-
	2,048.47	2,217.33
Accumulated Depreciation		
Opening Balance	833.84	415.03
Addition during the period	382.01	418.81
Disposal / Adjustments	116.09	-
	1,099.76	833.84
Total	948.71	1,383.49

Lease Liabilities

(₹ in Lakhs)		
Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening Balance	1,410.43	368.68
Addition during the period	111.63	1,297.24
Interest during the period	145.29	159.46
Disposal / Adjustments	(171.22)	(17.90)
Payment during the period	(478.39)	(397.06)
Total	1,017.74	1,410.43

**NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Maturity Analysis of Lease Liability has been disclosed as follows

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
0 - 1 year	328.34	362.10
1 - 5 year	619.88	859.38
More than 5 year	69.51	188.95
Total	1,017.73	1,410.43

55 The Company and S P Singla Construction Private Limited has formed a Joint Venture (JV) namely "PNC-SPSCPL JV" (Jointly controlled operation) specifying their ratios. Two projects were awarded to JV by National Highway Authority of India (NHAI).

The JV has further awarded the contract to Joint Venturers in their respective ratio as specified in the contract with NHAI. The billing to NHAI is being done by JV after consolidating of bills submitted by the Joint Venturers. None of the Joint Venturers has employed any capital to this JV.

56 The Company and SPML Infra Limited has formed a Joint Venture (JV) namely "PNC-SPSCPL JV" (Jointly controlled operation) specifying their division of execution. Various rural water supply projects were awarded to JV by Executive Director, State Water and Sanitation Mission(SWSM).

The JV has further awarded the contract to Joint Venturers in their division of execution as specified in the contract with Executive Director, State Water and Sanitation Mission(SWSM). The billing to Executive Director, State Water and Sanitation Mission(SWSM) is being done by JV after consolidating of bills submitted by the Joint Venturers. None of the Joint Venturers has employed any capital to this JV

57 OTHER STATUTORY INFORMATION

- (i) The Company do not have any benami property, and no proceeding has been initiated against the Company for holding any benami property
- (ii) The Company do not have any transactions with companies struck off
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with MCA beyond the statutory period
- (iv) The Company have not traded or invested in crypto currency or virtual currency during the financial year.
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a) 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
 - b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - a) 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
 - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- (vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (viii) The Company have not declared willful defaulter by any banks, any other financial institution or other lender at any time during the financial year
- (ix) All immovable properties are held in the name of the Company

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

58 | EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Company recommended a dividend @ 25 % i.e. ₹ 0.50 (Fifty Paise) per equity share of ₹ 2 each for the financial year 2022-23 subject to approval of members in the ensuing annual general meeting

59 | Previous year figures have been reclassified / regrouped, wherever necessary to confirm this year's classification.

60 | RATIOS

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022

(₹ in Lakhs)

Sr. No.	Particulars	March 31, 2023	March 31, 2022	% Change	Reason for change
1	Current Ratio (times) (Current assets divided by current liabilities)	2.43	2.72	-10.63%	Not applicable
2	Debt-Equity Ratio (times) (Total Debt divided by Total Equity) Total Debt = Debt comprises of non current borrowings(including current maturities of borrowings) and current borrowings Total Equity = Shareholder's Equity	0.11	0.06	76.71%	Increase was primarily on account of increase in short term borrowing
3	Debt Service Coverage Ratio (times) (Profit before Interest, tax, depreciation & amortisation, loss/ (profit) on sale of fixed assets and exceptional item divided by interest expenses together with payment of borrowings and lease payment)	7.73	2.98	159.60%	Decrease in interest on term loan and working capital loan for the year ended March 31, 2023
4	Return on Equity Ratio (%) (Profit for the year divided by Total Equity) Total Equity = Shareholder's Equity	15.51%	13.41%	15.71%	Not applicable
5	Inventory turnover Ratio (times) (Cost of Goods sold divided by Average inventory) Cost of Goods sold = Cost of materials consumed + Contract Paid + Construction expenses	8.27	10.71	(22.8)%	Not applicable
6	Trade Receivable turnover Ratio (times) (Revenue from operation divided by Average Trade Receivable)	4.44	5.97	(25.6)%	Increase in Revenue from operation for the year ended March 31, 2023

NOTES TO STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

Sr. No.	Particulars	March 31, 2023	March 31, 2022	% Change	Reason for change
7	Trade Payable turnover Ratio (times)	6.21	5.58	11.3%	Not applicable
	(Purchase divided by Average Creditor)				
8	Net Capital turnover Ratio (times)	3.45	3.40	1.4%	Not applicable
	(Revenue from operation divided by working capital)				
	Working capital = current assets - current liabilities				
9	Net Profit Ratio (%)	8.66%	7.10%	21.9%	Not applicable
	(Net profit for the year divided by Revenue from operation)				
10	Return on Capital employed (%)	21.72%	22.14%	(1.9)%	Not applicable
	(EBITDA divided by Capital employed)				
	Capital employed = Net worth+total debt				
11	Return on Investment (%)	10.07%	8.45%	19.3%	Not applicable
	(Net profit for the year divided by Total Assest)				

As per our report of even date attached
For **NSBP & Co.**
Chartered Accountants
Firm Registration No. 001075N

**For and on behalf of the Board of Directors of
PNC Infratech Limited**

Sd/-
Subodh Kumar Modi
Partner
Membership No: 093684
Place: Agra
Date: May 26, 2023

Sd/-
Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653
Place: Agra
Date: May 26, 2023

Sd/-
Chakresh Kumar Jain
Managing Director
DIN: 00086768
Place: Agra
Date: May 26, 2023

Sd/-
Tapan Jain
Company Secretary
Place: Agra
Date: May 26, 2023

Sd/-
Bhupinder Kumar Sawhney
Chief Financial Officer
Place: Agra
Date: May 26, 2023

INDEPENDENT AUDITOR'S REPORT

To
the Members of
PNC INFRA TECH LIMITED

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **PNC INFRA TECH LIMITED** ("hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), as listed in Annexure 1, which comprise the consolidated balance sheet as at March 31, 2023, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations provided to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act"), as amended in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, its

consolidated profit including other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") as specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Key Audit Matter	How our audit addressed the key audit matter
<p>(1) Revenue Recognition for Construction contracts</p> <p>The Group generates significant revenue from construction contracts and long-term operating and maintenance agreements. Revenue from these contracts is recognized over the period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers. For majority of its contracts, the Group recognizes revenue and profit on the stage of completion based on the proportion of contract costs incurred for the work performed to the balance sheet date, relative to the estimated costs on the contract at completion.</p> <p>This method requires the Group to perform an initial assessment of total estimated cost and reassess the total construction cost at each reporting period end to determine the appropriate percentage of completion.</p> <p>The recognition of revenue and profit / loss therefore are based on estimates in relation to the estimated total costs of each contract, which involves significant judgments, identification of contractual obligations and the Group's rights to receive payments for performance completed, scope amendments and price escalations resulting in revised contract price.</p> <p>Refer Note 2.10 and Note 34 of the consolidated financial statements.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understood and evaluated the design and tested the operating effectiveness of key internal financial controls, including those related to review and approval of estimated project cost and review of provision for estimated loss by the authorised representatives. • Obtained an understanding of Group's revenue recognition policies and reviewed compliance in terms of provisions of Ind-AS 115. • Performed assessment that the revenue recognition method applied was appropriate based on the terms of the arrangement and contract; • For a sample of contracts, we obtained the percentage of completion calculations, agreed key contractual terms to the signed contracts, tested the mathematical accuracy of the cost to complete calculations and re-performed the calculation of revenue recognized during the year based on the percentage of completion. • Obtained an understanding of the revenue recognition processes including documentation maintained and tested key internal controls impacting revenue, on sample basis; • Assessed the reliability of management's estimates by comparing the actual outcome of completed projects with previous estimated timelines;
<p>(2) Litigations Matters & Contingent liabilities (as described in note 43 of the consolidated financial statements)</p> <p>The Group is subject to claims and litigations. Major risks identified by the Group in that area relate to claims against the Group and taxation matters. The amounts of claims and litigations may be significant and estimates of the amounts of provisions or contingent liabilities are subject to significant management judgment.</p> <p>Due to complexity involved in these litigation matters, management's judgment regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcomes of the legal cases are determined and it has been considered as a key audit matter.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> • Assessing the procedures implemented by the Group to identify the risks it is exposed to. • Discussion with the management on the development in these litigations during the year ended March 31, 2023. • Obtaining an understanding of the risk analysis performed by the Group, with the relating supporting documentation and studying written statements from internal/ external legal experts, when applicable. • Verification that the accounting and/ or disclosures as the case may be in the consolidated financial statements is in accordance with the assessment of legal counsel/ management. • Obtaining representation letter from the management on the assessment of those matters as per SA 580 (revised)-written representations.

OTHER INFORMATION

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

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

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

INDEPENDENT AUDITOR'S REPORT (Contd.)

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of each Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group is also responsible for overseeing the financial reporting process of each Company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance

but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial statements made by the Management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial

INDEPENDENT AUDITOR'S REPORT (Contd.)

statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

OTHER MATTER

- (a) We did not audit the financial statements of twenty five subsidiaries/ step down subsidiaries whose financial statements reflect total assets of Rs.10,77,252.38 lakhs, total revenue of Rs.4,15,365.89 lakhs, total net profit after tax of Rs.4,698.71 lakhs, total comprehensive income of Rs.4,781.42 lakhs and net cash inflow of

Rs.1,130.56 lakhs for the year ended on March 31, 2023, as considered in the consolidated financial statements. These financial statements and other information have been audited by other auditors, whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries/ step down subsidiaries, and our report in terms of Sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries / step down subsidiaries, is based solely on the report of the other auditors.

- (b) We did not audit the financial statement of three joint operations whose financial statements reflect total assets of Rs.73,913.89 lakhs, total revenue of Rs.1,29,438.62 lakhs, total net profit after tax of Rs.32.33 lakhs, total comprehensive income of Rs.32.33 lakhs and net cash inflow of Rs.3,436.93 lakhs for the year ended on March 31, 2023. These financial statements and other information have been audited by other auditor, whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of joint operations, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these consolidated financial statements.
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 of the aforesaid consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- c) The consolidated balance sheet, the consolidated statement of profit and loss including other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account and records maintained by the Holding Company for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of the subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to the consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A";
- g) With respect to the Other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:
In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / payable by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
- h) 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, as amended in our opinion and to the best of

our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, in its consolidated financial statements - Refer note 43 to the consolidated financial statements.
- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, incorporated in India during the year ended March 31, 2023.
- iv. (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries 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 Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated

INDEPENDENT AUDITOR'S REPORT (Contd.)

in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries from any person(s) or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors

to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

- (v) As states in note 21 to the consolidated financial statements:
- (a) The final dividend proposed in the previous year, declared and paid by the Holding Company during the year is in accordance with Section 123, as applicable.
- (b) The Board of Director of the Holding Company have proposed final dividend for the year, which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act, as applicable. The subsidiary companies which are incorporated in India have not declared or paid any dividend during the year.

For **NSBP & Co.**
Chartered Accountants
Firm's Registration Number: 001075N

Subodh Kumar Modi
Partner

Place: Agra
Date: May 26, 2023

Membership Number: 093684
UDIN: 23093684BGXGSX6999

ANNEXURE 1

LIST OF ENTITIES INCLUDED IN THE STATEMENT

Subsidiaries/ Step Down Subsidiaries

1.	PNC Infra Holdings Limited
2.	PNC Bareilly Nainital Highways Private Limited
3.	PNC Raebareli Highways Private Limited
4.	MP Highways Private Limited
5.	PNC Kanpur Highways Limited
6.	PNC Delhi Industrial Infra Private Limited
7.	PNC Kanpur Ayodhya Tollways Private Limited
8.	PNC Rajasthan Highways Private Limited
9.	PNC Chitradurga Highways Private Limited
10.	PNC Khajuraho Highways Private Limited
11.	PNC Bundelkhand Highways Private Limited
12.	PNC Triveni Sangam Highways Private Limited
13.	PNC Aligarh Highways Private Limited
14.	PNC Challakere (Karnataka) Highways Private Limited
15.	PNC Bithur Kanpur Highways Private Limited
16.	PNC Gomti Highways Private Limited
17.	PNC Unnao Highways Private Limited
18.	PNC Meerut Haridwar Highways Private Limited.
19.	Akkalkot Highways Private Limited (w.e.f. April 22, 2022)
20.	Awadh Expressway Private Limited (w.e.f. April 13, 2022)
21.	Hardoi Highways Private Limited (w.e.f. April 11, 2022)
22.	Kanpur Lucknow Expressway Private Limited (w.e.f. April 11, 2022)
23.	Sonauli Gorakhpur Highways Private Limited (w.e.f. April 21, 2022)
24.	Yamuna Highways Private Limited (w.e.f. April 25, 2022)
25.	Hathras Highways Private Limited (w.e.f. April 25, 2022)

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PNC INFRATECH LIMITED ('THE COMPANY')

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act') and referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' of our report of even date

In conjunction with our audit of the consolidated financial statements of the Holding Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of PNC Infratech Limited (hereinafter referred to as "the Holding Company") and its subsidiaries which are companies incorporated in India (the Holding Company and its subsidiaries together referred to as "the Group"), as of that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors of the Holding Company and its subsidiaries which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to group'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 Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding Company and its subsidiaries which are companies incorporated in India, internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE CONSOLIDATED FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to the consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements

"Annexure A" to the Independent Auditor's Report to the members of PNC Infratech Limited ('the Company') (Contd.)

due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to the consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Holding Company and its subsidiary companies which are companies incorporated in India, have in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies which are companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to its subsidiary companies which are companies incorporated in India, and to whom internal control over financial statements is applicable, is based on the corresponding report of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For **NSBP & Co.**
Chartered Accountants
Firm's Registration Number: 001075N

Subodh Kumar Modi
Partner

Place: Agra
Date: May 26, 2023

Membership Number: 093684
UDIN: 23093684BGXGSX6999

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2023

(₹ In Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
I ASSETS			
1 Non - Current Assets			
(a) Property, plant and equipments	4	52,514.92	57,722.01
(b) Right of use assets	4	948.71	1,383.49
(c) Capital work-in-progress	5	-	-
(d) Intangible Assets	6	75,607.94	89,053.66
(e) Financial assets			
(i) Investments	7	55.54	55.54
(ii) Trade receivables	8	6,82,355.05	5,18,437.32
(iii) Other financial assets	9	7,418.57	8,126.62
(f) Deferred tax asset	10	-	604.10
(g) Other non - current assets	11	1,21,955.30	1,00,257.55
Sub Total (Non-current Assets)		9,40,856.03	7,75,640.29
2 Current Assets			
(a) Inventories	12	76,439.27	48,078.96
(b) Financial assets			
(i) Investments	13	31,095.50	42,317.85
(ii) Trade receivables	14	1,09,877.55	66,575.48
(iii) Cash and cash equivalents	15(i)	41,521.47	52,126.89
(iv) Bank balances other than (iii) above	15(ii)	29,113.45	22,602.81
(v) Loans	16	-	26,987.00
(vi) Other financial assets	17	7,284.12	7,915.06
(c) Other Current Assets	18	27,024.91	22,068.23
Sub Total (Current Assets)		3,22,356.27	2,88,672.28
(d) Assets classified as held for sale	19	-	175.00
Total Assets		12,63,212.30	10,64,487.57
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	20	5,130.78	5,130.78
(b) Other equity	21	4,23,373.55	3,57,678.48
Equity attributable to owners of the parent company		4,28,504.33	3,62,809.26
Non-controlling interest		-	(22.10)
Sub Total (Equity)		4,28,504.33	3,62,787.16
Liabilities			
2 Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	5,55,926.21	4,33,659.27
(ii) Lease liabilities	23	689.40	1,048.33
(iii) Trade payables	24	-	11,973.33
(iv) Other financial liabilities	25	37,716.77	33,176.59
(b) Deffered Tax Liability	10	2,117.87	-
(c) Provisions	26	28,662.26	32,711.55
(d) Other non - current liabilities	27	19,205.30	17,608.08
Sub Total (Non-current Liabilities)		6,44,317.81	5,30,177.15
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	28	71,206.75	44,224.45
(ii) Lease liabilities	29	328.34	362.10
(iii) Trade payables			
(a) Total outstanding dues of micro and small enterprises		12,960.67	4,388.59
(b) Total outstanding dues of creditors other than micro and small enterprises	30	55,861.62	47,038.70
(iv) Other financial liabilities	31	25,540.63	23,764.46
(b) Other current liabilities	32	18,064.85	49,657.65
(c) Provisions	33	6,427.31	2,087.31
Sub Total (Current Liabilities)		1,90,390.16	1,71,523.26
Total Equity & Liabilities		12,63,212.30	10,64,487.57

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached

For **NSBP & Co.**

Chartered Accountants

Firm Registration No. 001075N

Sd/-

Subodh Kumar Modi

Partner

Membership No: 093684

Place: Agra

Date: May 26, 2023

For and on behalf of the Board of Directors of

Sd/-

Pradeep Kumar Jain

Chairman and Managing Director

DIN: 00086653

Place: Agra

Date: May 26, 2023

Sd/-

Tapan Jain

Company Secretary

Place: Agra

Date: May 26, 2023

Sd/-

Chakresh Kumar Jain

Managing Director

DIN: 00086768

Place: Agra

Date: May 26, 2023

Sd/-

Bhupinder Kumar Sawhney

Chief Financial Officer

Place: Agra

Date: May 26, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2023

(₹ In lakhs)

Particulars	Notes	Year Ended March 31, 2023	Year Ended March 31, 2022
INCOME			
I Revenue from operations	34	7,95,608.29	7,20,803.56
II Other income	35	8,062.88	8,898.63
III Total Income (I+II)		8,03,671.17	7,29,702.19
IV Expenses:			
Cost of material consumed	36	3,34,700.62	3,19,274.89
Employee benefit expenses	37	37,471.58	37,865.81
Finance costs	38	46,990.43	42,532.23
Depreciation and amortisation expenses	39	25,331.11	39,019.50
Other expenses	40	2,63,431.28	2,10,215.50
Total Expenses (IV)		7,07,925.01	6,48,907.93
V Profit before tax & Exceptional items (III-IV)		95,746.16	80,794.26
VI Exceptional items	60	-	(185.00)
VII Profit before tax (V+VI)		95,746.16	80,609.26
VIII Tax expense:			
Current Tax	41	26,565.07	19,340.16
Mat credit entitlement		-	(27.88)
Tax for earlier years		731.79	(409.43)
Deferred tax charge/(credit)	10	2,604.24	3,663.44
Total Tax (VIII)		29,901.10	22,566.28
IX Profit after tax for the year (VII-VIII)		65,845.06	58,042.99
Profit for the year attributable to:			
- Owners of the parent		65,845.06	58,017.58
- Non- controlling interest		-	25.40
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Actuarial gain/(loss) on defined benefit plans		471.11	(453.27)
(ii) Income tax relating to above items		(118.20)	114.15
XI Total Comprehensive Income for the year XIII (IX+X)		66,197.97	57,703.86
Other comprehensive income for the year attributable to:			
- Owners of the parent		352.91	(339.24)
- Non-controlling Interest		-	0.12
Total comprehensive income for the year attributable to:			
- Owners of the parent		66,197.97	57,678.34
- Non-controlling Interest		-	25.52
Earnings per equity share of ₹ 2 each	42		
Basic (in ₹)		25.67	22.63
Diluted (in ₹)		25.67	22.63

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached
For **NSBP & Co.**
Chartered Accountants
Firm Registration No. 001075N

For and on behalf of the Board of Directors of
PNC Infratech Limited

Sd/-
Subodh Kumar Modi
Partner
Membership No: 093684
Place: Agra
Date: May 26, 2023

Sd/-
Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653
Place: Agra
Date: May 26, 2023

Sd/-
Chakresh Kumar Jain
Managing Director
DIN: 00086768
Place: Agra
Date: May 26, 2023

Sd/-
Tapan Jain
Company Secretary
Place: Agra
Date: May 26, 2023

Sd/-
Bhupinder Kumar Sawhney
Chief Financial Officer
Place: Agra
Date: May 26, 2023

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

(₹ In lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
I A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and exceptional items	95,746.16	80,794.26
Adjustments to reconcile Profit before tax to net cash flows:		
Depreciation and amortisation expenses	25,331.11	39,019.50
Finance cost	46,990.43	42,532.23
Interest income	(2,250.11)	(2,297.55)
Loss/(Profit) on redemption of mutual funds (net)	(2,464.81)	(3,488.03)
Loss/(Profit) on sale of property, plant and equipments (net)	21.56	(33.70)
Loss/(Gain) on fair valuation of Investments (net)	(227.73)	318.95
Miscellaneous Expenses written off		
Loss/(Profit) on sale of Investments	(20.49)	-
Remeasurement of Defined Benefit Obligation		
Loss/ (Gain) on foreign exchange fluctuations (net)	1.43	(40.00)
Impairment allowance	-	13,949.51
Allowance for expected credit loss	1,320.45	698.77
Non-cash items	356.09	25.68
Other non-operating income	(3,114.47)	(3,398.29)
Operating Profit Before Working Capital Changes	1,61,689.62	1,68,081.33
Adjustments for changes in Working Capital:		
(Increase)/Decrease in inventories	(28,360.31)	(12,719.47)
(Increase)/Decrease in trade receivables	(2,08,540.25)	(1,44,599.62)
(Increase)/Decrease in other assets	(26,479.42)	(33,292.63)
(Increase)/Decrease in other financial assets	1,339.00	1,980.40
Increase/(Decrease) in trade payables	5,421.67	(51,493.42)
Increase/(Decrease) in other liabilities and provisions	(36,841.37)	41,248.45
Increase/(Decrease) in other financial liabilities	6,402.04	4,006.63
Cash Generated From Operating activities	(1,25,369.02)	(26,788.33)
Direct taxes paid	(20,044.07)	(22,884.42)
Cash Generated from operating activities	(1,45,413.09)	(49,672.75)
Exceptional items	-	(185.00)
Cash Generated from operating activities after exceptional Items	(1,45,413.09)	(49,857.75)
Net cash Generated from Operating Activities	(1,45,413.09)	(49,857.75)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipments (including capital work in progress)	(6,326.74)	(8,101.19)
Proceeds from property, plant & equipments	715.19	2,086.55
Proceeds from Sale of investments	3,86,761.71	76,716.49
Purchase of Investments	(3,72,681.15)	(62,070.20)
Bank balances not considered as cash & cash equivalents	(6,510.64)	(12,839.42)
Other non-operating income	3,114.47	3,398.29
Loans (given)/realised	26,987.00	984.56
Interest income	2,250.11	2,297.55
Net cash Generated used in Investing Activities	34,309.95	2,472.64
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	1,90,925.57	1,02,376.31
Repayment of long term borrowings	(62,082.12)	(43,341.00)
Proceeds from Working Capital Borrowings from Banks (Net)	20,405.79	-
Finance cost paid	(46,990.43)	(42,532.23)
Lease payment including interest	(478.39)	(397.06)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ In lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Dividend paid	(1,282.70)	(1,282.70)
Dividend Distribution Tax paid		-
Net Cash Generated from Financing Activities	1,00,497.72	14,823.33
Net Increase/(Decrease) in Cash & Cash Equivalents	(10,605.42)	(32,561.78)
Cash & Cash Equivalents at the beginning of the year	52,126.89	84,688.67
Cash and Cash Equivalents at the end of the year	41,521.47	52,126.89
II Cash & Cash Equivalents included in Cash Flow Statement comprise of following		
Balances with Banks		
- Current account	27,267.42	37,701.70
- Fixed deposits	14,073.45	14,140.78
Cash on hand	180.60	284.41
Total	41,521.47	52,126.89

III Reconciliation of Liabilities arising from Financing Activities

Particulars	As at April 01, 2022	Cash Flow	Non Cash Changes	As at March 31, 2023
Non Current Borrowing (including current maturities and interest)	4,76,477.11	1,28,843.45	591.66	6,05,912.21
Current Borrowing (including interest)	-	21,217.12	3.63	21,220.75
Lease liabilities	1,410.43	(478.39)	85.69	1,017.73

Particulars	As at April 01, 2021	Cash Flow	Non Cash Changes	As at March 31, 2022
Non Current Borrowing (including current maturities and interest)	4,16,830.10	59,035.31	611.69	4,76,477.11
Current Borrowing (including interest)	-	-	-	-
Lease liabilities	368.68	(397.06)	1,438.81	1,410.43

- (i) Figures in bracket indicate cash outflow.
- (ii) The above cash-flow statement has been prepared under the "Indirect method" as set out in "Ind AS-7 Statement of cash flows" specified u/s 133 of the Companies act, 2013.
- (iii) Previous year figures have been regrouped and recasted wherever necessary to confirm to the current year classification.

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached
For **NSBP & Co.**
Chartered Accountants
Firm Registration No. 001075N

For and on behalf of the Board of Directors of
PNC Infratech Limited

Sd/-
Subodh Kumar Modi
Partner
Membership No: 093684
Place: Agra
Date: May 26, 2023

Sd/-
Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653
Place: Agra
Date: May 26, 2023

Sd/-
Chakresh Kumar Jain
Managing Director
DIN: 00086768
Place: Agra
Date: May 26, 2023

Sd/-
Tapan Jain
Company Secretary
Place: Agra
Date: May 26, 2023

Sd/-
Bhupinder Kumar Sawhney
Chief Financial Officer
Place: Agra
Date: May 26, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. EQUITY SHARE CAPITAL

		(₹ In lakhs)
Equity shares of ₹ 2 each issued, subscribed & fully paid up	No. of Shares	Amount
Balance as at April 01, 2021	25,65,39,165	5,130.78
Changes in equity share capital during FY 2021-22	-	-
Balance as at March 31, 2022	25,65,39,165	5,130.78
Balance as at April 01, 2022	25,65,39,165	5,130.78
Changes in equity share capital during FY 2022-23	-	-
Balance as at March 31, 2023	25,65,39,165	5,130.78

B. OTHER EQUITY

Particulars	Reserves & Surplus			Non-Controlling Interest	Total
	Securities premium	General Reserve	Retained earnings		
Restated Balance as at April 01, 2021	59,018.18	128.96	2,41,038.09	(47.50)	3,00,137.72
Profit for the year	-	-	58,017.58	-	58,017.58
Addition during the year	3.74	-	-	25.40	29.15
Other comprehensive Income / (Loss)					
- Remeasurement of defined benefit obligation (net of taxes)	-	-	(339.12)	-	(339.12)
Total comprehensive income for the year	3.74	-	57,678.46	25.40	57,707.61
Transactions with owners in the capacity of owners					
Dividend paid	-	-	(1,282.70)	-	(1,282.70)
Dividend distribution tax	-	-	-	-	-
Adjustment during the year	-	-	-	-	-
Arising on account of consolidation	-	-	1,093.75	-	1,093.75
Balance as at March 31, 2022	59,021.92	128.96	2,98,527.60	(22.10)	3,57,656.38
Profit for the year	-	-	65,845.06	-	65,845.06
Addition during the year	3.18	-	-	-	3.18
Other Comprehensive Income					
- Remeasurement of defined benefit obligation (net of taxes)	-	-	352.91	-	352.91
Total comprehensive income for the year	3.18	-	66,197.97	-	66,201.15
Transactions with owners in the capacity of owners					
Dividend paid	-	-	(1,282.70)	-	(1,282.70)
Dividend distribution tax	-	-	-	-	-
Adjustment during the year	-	-	123.09	22.10	145.19
Arising on account of consolidation	-	-	653.53	-	653.53
Balance as at March 31, 2023	59,025.09	128.96	3,64,219.50	0.00	4,23,373.55

For description of the purposes of each reserve within equity, Refer Note 21 of consolidated financial statements

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date attached

For **NSBP & Co.**

Chartered Accountants

Firm Registration No. 001075N

For and on behalf of the Board of Directors of

PNC Infratech Limited

Sd/-

Subodh Kumar Modi

Partner

Membership No: 093684

Place: Agra

Date: May 26, 2023

Sd/-

Pradeep Kumar Jain

Chairman and Managing Director

DIN: 00086653

Place: Agra

Date: May 26, 2023

Sd/-

Chakresh Kumar Jain

Managing Director

DIN: 00086768

Place: Agra

Date: May 26, 2023

Sd/-

Tapan Jain

Company Secretary

Place: Agra

Date: May 26, 2023

Sd/-

Bhupinder Kumar Sawhney

Chief Financial Officer

Place: Agra

Date: May 26, 2023

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2023

1. GROUP OVERVIEW:

PNC Infratech Limited (The Group) was incorporated on August 09, 1999 as PNC Construction Group Private Limited. The Group was converted into a limited Group in 2001 and was renamed PNC Infratech Limited in 2007. The Group is listed with National Stock Exchange and Bombay Stock Exchange.

The Group and its subsidiaries (hereinafter refer to as Group) is engaged in India's infrastructure development through the construction of highways including BOT (built, operate and transfer projects), airport runways, bridges, flyovers, power transmission projects and Water supply project among others.

In case of BOT & HAM (Hybrid Annuity Model), the Group bids as a sponsor either alone or in joint venture with other venture(s) and once the project is awarded then it is executed by incorporating a Group (Special Purpose Vehicle).

The Group's registered office is located in New Delhi, corporate office in Agra and operations of the group are spread across Haryana, Karnataka, Madhya Pradesh, Maharashtra, Andhra Pradesh, Rajasthan, Gujarat, Uttar Pradesh, Uttarakhand, Delhi and Bihar among others.

The Group is ISO 9001:2015-certified, awarded 'SS' (Super Special) class from the Military Engineering Services as well as appreciation from NHAI and the Military Engineer Services, Ministry of Defence.

The Consolidated financial statements were authorised for issue in accordance with the resolution of the directors on May 26, 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The Consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

In accordance with the notification issued by the Ministry of Corporate Affairs, the Group, with effect from April 01, 2016, adopted Indian Accounting Standards (the 'Ind AS') notified under the Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amended) Rules, 2016 as amended thereto.

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

The Consolidated financial statements are presented in Indian rupees (₹) and all values are rounded to the nearest lakhs and two decimals thereof, except otherwise stated.

These Consolidated financial statements have been prepared under the historical cost convention on the accrual basis, except for certain financial instruments & Provisions which are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2. Principles of consolidation and equity accounting

The consolidated financial statements comprise the financial statements of the Group, its Subsidiaries and associates as at March 31, 2023.

In case of subsidiaries, control is achieved when the group is exposed, or has right, to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Associates are all entities over which the group has significant influence but not control or joint control. Investment in associate is accounted for using the equity method of accounting (see note (d) of consolidation procedures mentioned below).

The group re-assesses whether or not it controls as an investee if facts and circumstances indicates that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group possesses control over the subsidiary and ceases when the Group loses control over the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statement in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e. financial year ended on March 31, 2023.

Profit or loss, each component of other comprehensive income (OCI) is attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if the results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

Consolidation procedure:

- (a) The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combination policy explains how to account for any related goodwill.
- (c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full).
- (d) The build, operate and transfer (BOT) contracts are governed by concession agreement with government authorities (grantor). Under these agreements, the operator does not own the road, but gets "Toll collection rights" against the construction services rendered. Since the construction revenue earned by the operator is considered as exchange with the grantor against the toll collection rights, profit from such contracts is considered as realised.

Accordingly, BOT contracts awarded to group companies (operator), where work is

subcontracted to fellow group companies or "the Group", the intra group transactions on BOT contracts under Intangible Assets Method and the profits arising thereon are taken as realised and hence not eliminated.

- (e) Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of post-acquisition profit or losses of the investee in profit or loss and the group's share of the other comprehensive income of the investee in other comprehensive income
- (f) Figures pertaining to the subsidiaries, associates and joint ventures have been reclassified wherever necessary to bring them in line with the parent's Group financial statements.

2.3 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The group classifies all other liabilities as non-current.

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

The operating cycle for the business activities of the Group covers the duration of the project/ contract/ service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

2.4. Property, plant & equipment

The group has elected to continue with the carrying value of all its property, plant and equipment as recognised in the financial statement at the date of transition i.e. at April 01, 2015, measured as per the previous GAAP and used that as its deemed cost as at the transition date.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost includes cost of acquisitions or construction including incidental expenses thereto and other attributable cost of bringing the assets to its working condition for the intended use and is net of recoverable duty /tax credits.

2.5. Intangible assets

The group recognises the intangible assets according to Ind AS-38 which is stated at cost of acquisition net of accumulated amortisation and impairment losses, if any.

In accordance with Ind AS-38, Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Other intangible assets are amortised on straight line basis over the period in which it is expected to be available for use by the Group.

2.6. Intangible assets under development

Expenditure related to and incurred during development of Assets are included under "Intangible assets under development". The same will be transferred to the respective assets on its completion.

2.7. Depreciation and amortisation

Depreciation on Fixed Assets is provided on straight line method (other than specified Plant & Machinery which are depreciated on written down value basis) based on useful life which is estimated by the management as equivalent to the useful life stated in schedule II to the Companies Act 2013 and is on pro-rata basis for addition and deletions. The useful life is reviewed at least at the end of each financial year. In case of Plant & Machinery, as per technical estimate (excluding Cranes & Earth Moving equipment), the useful life is more than as stated in schedule II. The estimated useful life of Property, Plant & Equipment and Intangible assets as mentioned below:

Particulars	Useful life (Yrs)
Buildings	30
Plant & Machinery	
- Earth Moving Equipment	15
- Piling Equipment	15
- Others	15
Office Equipment	05
Furniture & Fixtures	10
Vehicles	
- Two Wheelers	10
- Four Wheelers	08
Computers	03
Temporary Construction	03
Computer Software	06

2.8. Cash & cash equivalents

Cash & cash equivalents comprise of cash at bank and cash-in-hand. The Group consider all highly liquid investments which must be readily convertible to a known amount of cash and are subject to an insignificant risk of change in value with an original maturity of three months or less from date of purchase to be cash equivalent.

2.9. Service concession arrangements:

The group constructs or upgrades infrastructure (construction or up-gradation services) used to provide a public service and operates and also maintains that infrastructure (operation services) for the specified period of time.

Under Appendix C to Ind AS-115 – Service Concession Arrangements, these arrangements are accounted for based on the nature of the consideration.

The intangible asset model is used to the extent that the group receives a right (i.e. a franchisee) to charge users of the public service. The financial asset model is used when the group has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction service. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component.

The group manages concession arrangements which include constructing road, redevelopment and maintenance of industrial estate etc. for public use. These concession arrangements set out rights and obligations related to the infrastructure and the services to be provided.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

The right consideration gives rise to an intangible asset and financial receivable and accordingly, both the intangible assets and financial receivable models are applied. Income from the concession arrangements earned under the intangible asset model consists of the (i) fair value of contract revenue, which is deemed to be fair value of consideration transferred to acquire the asset; and (ii) payments actually received from the users. The intangible assets is amortised over its expected useful life in a way that reflects the pattern in which the asset's economic benefits are consumed by the Group, starting from the date when the right to operate starts to be used. Based on these principles, the intangible asset is amortised in line with the actual usage of the specific public facility, with a maximum of the duration of the concession.

Financial receivable is recorded at a fair value of guaranteed residual value to be received at the end of the concession period. This receivable is subsequently measured at amortised cost.

Any assets carried under concession arrangements are derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial assets expire.

In the case of Operation and Maintenance arrangements, Intangible asset is recognised at fair value of the concession fee payable over the arrangement period.

2.10. Revenue recognition

The Company recognised revenue when the Company satisfies a performance obligation by transferring a promised good or service (i.e., assets) to a customer at an amount that reflects the consideration entitled in exchange for those goods or services. Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

The performance obligations are satisfied over time as the work progresses. The Company recognises revenue using input method (i.e. percentage of completion method), based primarily on contract cost incurred to date compared to total estimated contract costs. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level. If the consideration in the contract includes price variation clause or there are

amendments in contracts, the Company estimates the amount of consideration to which it will be entitled in exchange for work performed.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

For construction contracts the control is transferred over time and revenue is recognised based on the extent of progress towards completion of the performance obligations. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The percentage of completion was calculated according to the nature and the specific risk of each contract in order to reflect the effective completion of the project. This percentage of completion could be based on technical milestones or as per the contractual terms specified. A construction contract is considered completed when the last technical milestone is achieved, which occurs upon contractual transfer of ownership of the asset.

Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost of completion is complex, subject to many variables and requires significant judgment. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, changes in scope, incentives, if any. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. The estimates of variable consideration are based largely on an assessment of anticipated performance and all information (historical, current and forecasted) that is reasonably available.

If the consideration promised in a contract includes a variable amount, this amount is recognised only to the extent that it is highly probable that a significant reversal in the amount recognised will not occur.

Revenue related to claims are accounted for in the year in which arbitration award is awarded/settled or accepted by customer or there is a tangible evidence of acceptance received.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Other sales are accounted for on dispatch of material and excludes applicable taxes or duty and are net of discount.

Revenue from Joint Venture contract is accounted for net of joint venture share, under turnover, in these financial statements. Agency charges, if any, are accounted for on receipt basis as other operating income.

The income from Toll contracts on BOT/OMT basis (under Financial Receivable Model) are recognised on actual collection of toll revenue.

Provision for future losses

Provision for future losses are recognised as soon as it becomes evident that the total costs expected to be incurred in a contract exceed the total expected revenue from that contract.

Contract balances

i) Contract assets

A contract asset is recognised for amount of work done but pending billing/acknowledgement by customer or amounts billed but payment is due on completion of future performance obligation, since it is conditionally receivable. The provision for Expected Credit Loss on contract assets is made on the same basis as financial assets.

ii) Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section financial instruments.

iii) Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received advance payments from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the consideration received.

Interest income

Interest income is generally recognised on a time proportion basis by considering the outstanding amount and effective interest rate.

In the absence of ascertainment with reasonable certainty the quantum of accruals in respect of claims recoverable, the same is accounted for on receipt basis. Income from investments is accounted for on accrual basis when the right to receive income is established.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument.

Dividend

Dividends are recognised in profit or loss only when:

- (i) the Group's right to receive payment of the dividend is established;
- (ii) It is probable that the economic benefits associated with the dividend will flow to the entity; and
- (iii) The amount of dividend can be measured reliably.

2.11. Inventories

The stock of raw material, stores, spares and embedded goods and fuel is valued at lower of cost or net realisable value. Cost is computed on weighted average basis.

Work-in- progress is valued at the item rate contracts in case of completion of activity by project department, in case where the Work-in- progress is not on item rate contract stage then item rate contracts are reduced by estimated margin or estimated cost of completion and/or estimated cost necessary to make the item rates equivalent to Stage of Work-in- progress.

2.12. Leases

Where the group is the lessee

The Group's lease asset classes primarily consist of leases buildings. The Group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

Effective from April 01, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

2.13. Employee benefits

Short term:

All employee benefits payable within twelve months rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered the service entitling them to the contribution.

Long term:

Provident fund: The contribution to provident fund is in the nature of defined contribution plan. The Group makes contribution to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The contribution paid or payable is recognised as an expense in the period in which services are rendered.

Gratuity: The cost is determined using the projected unit credit method with actuarial valuation being carried at cash at each Balance Sheet date by an independent

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

actuary. The retirement benefits obligation recognised in the Balance Sheet represent the present value of defined benefit obligation as adjusted for recognised past service cost

Actuarial gains and losses are recognised in full in the other comprehensive income for the period in which they occur.

Other long term employee benefits:

The cost of long term employee benefits is determined using project unit credit method and is present value of related obligation, determined by actuarial valuation made on Balance Sheet date by an independent actuary. The unrecognised past service cost and actuarial gain & losses are recognised immediately in the Statement of Profit & Loss in which they occur.

2.14. Borrowing costs

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

2.15. Segment reporting

The Chief Operational Decision maker monitors the operating results of its business segments separately for the purpose of decision-making about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The operating segments have been identified on the basis of the nature of products / services.

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter-segment revenue.
2. Expenses which are directly identifiable with / allocable to segment are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to any segment are included under unallocable expenditure.
3. Income which relates to the group as a whole and not allocable to segments is included in unallocable income.
4. Segment results include margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Group.

5. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

2.16. Earnings per share:

Basic earnings per equity share is computed by dividing the net profit attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, buy back of shares, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

2.17. Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax is charged at the end of reporting period to profit & loss.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act 1961, is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay tax under Normal provision of act during the specified period. The Company reviews the same at each Balance Sheet date and writes down the amount of MAT Credit Entitlement to the extent there is no convincing evidence to the effect that the Company will pay Income tax higher than MAT during the specified year.

2.18. Impairment of financial assets

The group recognises loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit or loss.

2.19. Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of

impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an Individual asset basis unless the asset does not generate cash flows that are largely Independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.20. Claims & counter claims

Claims and counter claims including under arbitrations are accounted for on their final Settlement/ award. Contract related claims are recognised when there is a reasonable certainty.

2.21. Provisions, contingent liabilities and assets

Provisions

Provisions are recognised when the Group has present obligations (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

The expense relating to a provision is presented in the statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, wherever appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet date.

Contingent liabilities and assets

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group or

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimates of the obligation cannot be made.

Contingent assets are disclosed where an inflow of economic benefit is probable. An entity shall not recognise the contingent assets unless the recovery is virtually certain.

2.22. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

The group recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition.

Subsequent measurement

A. Financial assets

For the purpose of subsequent measurement, financial assets are classified in three broad categories:

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it 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 assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

- Investment in subsidiaries, associates and joint ventures

On initial recognition, these investments are recognised at fair value plus any directly attributable transaction cost. Subsequently, they are measured at cost in accordance with Ind AS 27 - 'Separate Financial Statements'.

- Equity investments

All equity investments falling within the scope of Ind-AS 109 are mandatorily measured at Fair Value through Profit and Loss (FVTPL) with all fair value changes recognised in the Statement of Profit and Loss. The Group has an irrevocable option of designating certain equity instruments as FVOCI. Option of designating instruments as FVOCI is done on an instrument-by-instrument basis. The classification made on initial recognition is irrevocable. If the Group decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument are recognised in Statement of Other Comprehensive Income (SOI). Amounts from SOI are not subsequently transferred to profit and loss, even on sale of investment.

B. Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest rate method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition:-

A. Financial assets

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised when:

- (i) The contractual right to receive cash from the assets have expired, or
- (ii) The Group has transferred its right to receive cash from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

B. Financial liabilities

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

Reclassification of financial assets and financial liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

2.23. Foreign currencies

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

iii. Exchange differences:

The Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items by recognising the exchange differences as an income or expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.24. Fair value measurement

The group measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

2.25. Cash flow statement

Cash flow are reported using indirect method whereby a profit before tax is adjusted for the effect for the effects of transaction of non-cash nature. The cash flow from operating, investing and financing activities of the Company are segregated.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and results of operations during the reporting period. The Management believes that the estimates used in preparation of financial statements are prudent and reasonable. Differences between actual results and estimates are recognised in the year in which the results are shown /materialised.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

i. **Estimated useful life of intangible assets and property, plant and equipment**

The group assesses the remaining useful lives of Intangible assets and property, plant and equipment on the basis of internal technical estimates. Management believes that assigned useful lives are reasonable.

ii. **Income taxes:**

Deferred tax assets are recognised for the unused tax credit to the extent that it is probable that taxable profits will be available against which the losses will be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

iii. **Defined benefit plans and other long term benefits :**

The cost of the defined benefit plan and other long term benefit and their present value are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discounting rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The most sensitive is discount rate. Future salary increases and gratuity increases are based on expected future inflation rates.

iv. **Contingent liabilities:**

Management judgment is required for estimating the possible outflow of resources, in respect of contingencies/claim/litigations against the Group

as it is not possible to predict the outcome of pending matters with accuracy. The management believes the estimates are reasonable and prudent.

v. **Revenue recognition:**

The Group uses the stage of completion method using survey method and /or on completion of physical proportion of the contract work to measure progress towards completion in respect of construction contracts. This method is followed when reasonably dependable estimates of costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognised revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable.

vi. **Provision for doubtful receivables and contract assets:**

In assessing the recoverability of the trade receivables and contracts assets, management's judgement involves consideration of aging status, evaluation of litigations and the likelihood of collection based on the terms of the contract.

vii. **Estimation of net realisable value of inventories:**

Inventories are stated at the lower of cost and Fair value. In estimating the net realisable value / Fair value of Inventories the Group makes an estimate of future selling prices and costs necessary to make the sale.

4 PROPERTY, PLANT & EQUIPMENTS

Year ended March 31, 2023

(₹ in Lakhs)

Particulars	Property, Plant & Equipment								Right of Use Assets			
	Freehold Land	Buildings	Property, plant & equipments	Furniture & fixtures	Vehicles	Office equipment	Computers	Electrical Equipment	Temporary Constructions	Total Property, Plant & Equipments	Right- of-use Assets	Total Right of use Assets
Gross carrying value												
At April 01, 2022	395.74	611.15	1,01,907.48	587.87	5,162.01	1,474.15	1,008.09	40.43	1,690.20	1,12,877.12	2,217.33	2,217.33
Addition during the year	196.84	-	4,857.52	69.49	519.88	155.82	197.01	-	-	5,996.56	111.63	111.63
Disposal / Adjustments	36.11	-	1,404.39	6.15	62.44	52.23	14.25	-	-	1,575.57	280.49	280.49
As at March 31, 2023	556.47	611.15	1,05,360.61	651.21	5,619.45	1,577.74	1,190.85	40.43	1,690.20	1,17,298.11	2,048.47	2,048.47
Accumulated Depreciation/Amortisation												
At April 01, 2022	-	137.65	49,411.55	262.92	1,952.24	871.96	809.79	19.82	1,689.20	55,155.12	833.84	833.84
For the year	-	19.65	9,636.23	59.16	577.88	184.59	150.11	3.66	-	10,631.28	382.01	382.01
Disposal / Adjustments	-	-	905.99	2.77	41.33	41.72	11.41	-	-	1,003.21	116.09	116.09
As at March 31, 2023	-	157.30	58,141.79	319.31	2,488.79	1,014.83	948.49	23.48	1,689.20	64,783.18	1,099.76	1,099.76
Net carrying value as at March 31, 2023	556.47	453.85	47,218.82	331.90	3,130.65	562.91	242.36	16.96	1.00	52,514.92	948.71	948.71

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Year ended March 31, 2022

(₹ In lakhs)

Particulars	Property, Plant & Equipment										Right of Use Assets	
	Freehold Land	Buildings	Property, plant & equipments	Furniture & fixtures	Vehicles	Office equipment	Computers	Electrical Equipment	Temporary Constructions	Total Property, Plant & Equipments	Right-of-use Assets	Total Right of use Assets
Gross carrying value												
At April 01, 2021	504.93	611.15	1,02,568.00	510.22	4,282.31	1,202.02	786.41	40.43	1,690.20	1,12,195.67	920.09	920.09
Addition during the year	-	-	4,912.45	78.45	1,092.93	278.59	227.45	-	-	6,589.86	1,297.24	1,297.24
Disposal / Adjustments	109.19	-	5,572.97	0.81	213.24	6.46	5.76	-	-	5,908.41	-	-
As at March 31, 2022	395.74	611.15	1,01,907.48	587.87	5,162.01	1,474.15	1,008.09	40.43	1,690.20	1,12,877.12	2,217.33	2,217.33
Accumulated Depreciation/ Amortisation												
At April 01, 2021	-	117.41	41,987.06	205.96	1,555.56	695.52	688.78	15.97	1,689.20	46,955.47	415.03	415.03
Addition during the year	-	20.24	11,135.30	57.12	533.18	181.19	124.34	3.84	-	12,055.21	418.81	418.81
Disposal / Adjustments	-	-	3,710.82	0.16	136.50	4.75	3.34	-	-	3,855.56	-	-
As at March 31, 2022	-	137.65	49,411.55	262.92	1,952.24	871.96	809.79	19.82	1,689.20	55,155.12	833.84	833.84
Net carrying value as at March 31, 2022	395.74	473.50	52,495.94	324.94	3,209.77	602.19	198.31	20.62	0.99	57,722.01	1,383.49	1,383.49

Notes :

- (i) Property, plant and equipments hypothecated/ pledged as security except project assets. (Refer Note 22 & 28)
- (ii) Refer note 45 for disclosure of contractual commitment for the acquisition of property, plant & equipments.
- (iii) Right of use assets includes land and building under operating lease in pursuance of Ind AS 116.
- (iv) The group has not revalued its property, plant & equipments during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

5 CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Cost	-	341.59
Addition during the year	1,252.73	1,392.09
Capitalised/Adjustments during the year	(1,252.73)	(1,733.68)
Total	-	-

There is no Capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan

6 INTANGIBLE ASSET

Year ended March 31, 2023

(₹ in Lakhs)

Particulars	Computer software (bought out)	Mining Lease	Concession Rights	Goodwill on Consolidation	Total
Gross carrying value					
At April 01, 2022	546.34	33.53	2,37,748.88	2,176.20	2,40,504.95
Addition during the year	40.47	167.72	-	656.70	864.89
Disposals/Adjustments	-	-	-	-	-
As at March 31, 2023	586.81	201.24	2,37,748.88	2,832.90	2,41,369.83
Accumulated amortisation					
At April 01, 2022	387.29	12.24	1,51,051.76	-	1,51,451.29
For the year	52.48	10.45	14,247.67	-	14,310.59
Disposals/Adjustments	-	-	-	-	-
As at March 31, 2023	439.77	22.69	1,65,299.43	-	1,65,761.89
Net carrying value as at March 31, 2023	147.04	178.56	72,449.45	2,832.90	75,607.94

Year ended March 31, 2022

(₹ in Lakhs)

Particulars	Computer software (bought out)	Mining Lease	Concession Rights	Goodwill on Consolidation	Total
Gross carrying value					
At April 01, 2021	511.80	33.53	2,37,748.88	1,078.72	2,39,372.93
Addition during the year	34.54	-	-	1,097.48	1,132.02
Disposals/Adjustments	-	-	-	-	-
As at March 31, 2022	546.34	33.53	2,37,748.88	2,176.20	2,40,504.95
Accumulated amortisation					
At April 01, 2021	311.47	8.89	1,25,102.87	-	1,25,423.23
For the year	75.82	3.35	25,948.89	-	26,028.06
Disposals/Adjustments	-	-	-	-	-
As at March 31, 2022	387.29	12.24	1,51,051.76	-	1,51,451.29
Net carrying value as at March 31, 2022	159.05	21.29	86,697.12	2,176.20	89,053.66

The group has not revalued its intangible assets during the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

7 INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in equity instruments:		
(i) Associates (Unquoted)		
Nil equity shares (Previous Year 6,79,00,000) of Ghaziabad Aligarh Expressway Private Limited of ₹ 10 each (Face value ₹ 10 each)*		
Opening Carrying value	-	4,009.21
Add/(Less)- Profit/Loss of associate	-	-
(Less)- Impairment loss on investments (Refer note 40)	-	(3,834.21)
(Less)- Investments classified as held for sale (Refer note 55)	-	(175.00)
Closing carrying value	-	-
(ii) Others (Unquoted)		
5,55,370 equity shares (Previous Year 555,370) of Indian Highways Management Company limited of ₹ 10 each (Face value ₹ 10 each)	55.54	55.54
Total	55.54	55.54

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate book value of unquoted investments	55.54	4,064.75
Less : Aggregate amount of impairment in value of investment (Refer note 40)	-	(3,834.21)
Less : Investments classified as held for sale (Refer note 55)	-	(175.00)
Total	55.54	55.54

Out of the Investments of the Company following investments are pledged with the Financial Institutions /Banks for security against the financial assistance extended to the companies under the same management and others:

(₹ in Lakhs)

Name of the Company	As at March 31, 2023	As at March 31, 2022
Ghaziabad Aligarh Expressway Private Limited* (Equity shares of ₹ 10 each)	-	149.55

*For details Refer Note 19

8 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good-unsecured	6,82,355.05	5,18,437.32
Total	6,82,355.05	5,18,437.32
Trade receivables		
Considered good-secured	-	-
Considered good-unsecured	6,82,355.05	5,18,437.32
Which have increase in credit risk	-	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Trade receivables ageing schedule as on March 31, 2023:

(₹ in Lakhs)

Particulars	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Trade receivables-considered good	6,82,355.05	-	-	-	-	-	6,82,355.05
Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total Trade Receivables	6,82,355.05	-	-	-	-	-	6,82,355.05

Trade receivables ageing schedule as on March 31, 2022:

(₹ in Lakhs)

Particulars	Not due	Less than 6 Months	6 Months - 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Trade receivables-considered good	5,18,437.32	-	-	-	-	-	5,18,437.32
Undisputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables-considered good	-	-	-	-	-	-	-
Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables-credit impaired	-	-	-	-	-	-	-
Total Trade Receivables	5,18,437.32	-	-	-	-	-	5,18,437.32

9 OTHER NON CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits		
(a) Held with related parties*	1,474.63	1,453.03
Terms deposits (having maturity of more than 12 months)**		
- Term deposits as margin money for bank guarantees	269.19	192.26
- Earnest money deposits (in the form of term deposits, NSC etc.)	322.41	302.13
Others		
- Retention & withheld		
(a) Held with departments	5,344.29	6,179.20
(b) Held with related parties*	8.06	-
Total	7,418.57	8,126.62

* For details Refer Note 47

** For details Refer Note 15(ii)

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

10 DEFERRED TAX

10.1 The balance comprises temporary differences attributable to:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred Tax Assets/(Liabilities)		
Difference in value of property, plant & equipments	10,791.03	10,673.59
Retention assets	299.32	-
Retention liabilities	(143.98)	(445.44)
Deferred retention liabilities	135.33	428.77
Deferred retention assets	(1.10)	-
Gratuity & leave encashment	712.97	564.17
Trade receivables	(20,993.53)	(22,927.26)
Borrowings	(21.79)	93.05
Investments	(67.62)	(32.88)
Preliminary & pre-operative expenses	-	-
Major maintenance	6,445.89	8,270.71
Trade payables	-	3,013.69
Lease liability	256.14	354.98
Mutual funds	-	-
Mat credit entitlement	469.45	610.71
Net deferred tax assets/(liabilities)	(2,117.87)	604.10

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

10.2 Movement in Deferred tax (Liabilities)/Assets*

(₹ in Lakhs)

Particulars	Trade payables	Property, plant & equipments	Retention assets	Deferred retention liabilities	Gratuity & leave encashment	Preliminary & pre-operative expenses	Major maintenance	Retention liabilities	Investments	Deferred retention assets	MAT credit entitlement	Lease liability	Trade receivables	Borrowings	Mutual funds	Total
At April 01, 2021	12,109.77	6,225.99	428.15	590.46	515.00	0.47	7,025.52	(607.41)	(64.18)	(428.15)	1,649.46	128.83	(23,390.99)	(23.40)	(8.49)	4,151.03
(Charged)/credited:-																
-to profit & loss	(9,096.08)	4,447.60	(428.15)	(161.69)	(64.99)	(0.47)	1,245.19	161.97	31.30	428.15	(1,041.10)	226.15	463.73	116.45	8.49	(3,663.44)
-to Other comprehensive income	-	-	-	-	114.15	-	-	-	-	-	-	-	-	-	-	114.15
-to Mat credit availability/utilisation	-	-	-	-	-	-	-	-	-	-	2.35	-	-	-	-	2.35
At March 31, 2022	3,013.69	10,673.59	-	428.77	564.17	-	8,270.71	(445.44)	(32.88)	-	610.71	354.98	(22,927.26)	93.05	-	604.10
(Charged)/credited:-																
-to profit & loss	(3,013.69)	116.97	299.32	(293.44)	267.00	-	(1,824.82)	301.46	(34.74)	(1.10)	(141.26)	(98.84)	1,933.73	(114.84)	-	(2,604.24)
-to Other comprehensive income	-	-	-	-	(118.20)	-	-	-	-	-	-	-	-	-	-	(118.20)
-to Plant availability/utilisation	-	0.47	-	-	-	-	-	-	-	-	-	-	-	-	-	0.47
At March 31, 2023	-	10,791.03	299.32	135.33	712.97	-	6,445.89	(143.98)	(67.62)	(1.10)	469.45	256.14	(20,993.53)	(21.79)	-	(2,117.87)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

11 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advances other than capital advances		
Balance with statutory authorities	3,016.71	4,803.82
Others		
Advance tax & tax deducted at source (Net)*	16,942.24	15,815.80
GST Input, GST TDS & GST on advance	99,695.99	78,162.17
Tax & duty deposited under protest	106.64	108.11
Mobilisation advance to sub-contractors	945.48	1,367.65
Prepaid expenses	1,243.88	-
Deferred retention money	4.37	-
Total	1,21,955.30	1,00,257.55

* The refund receivable for certain years, are held up by tax authorities for verification of TDS certificates internally or with other issuing departments.

12 INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials (construction Material)	61,722.48	42,516.74
Raw material in transit	2,164.40	1.30
Work-in-progress	5,260.00	-
Stores and spares	7,292.39	5,560.92
Total	76,439.27	48,078.96

Inventories are hypothecated against secured borrowing of the Company (For details Refer Note 22 & 28)

The Company follows suitable provisioning norms for written down the value of Inventory towards slow moving, non-moving and surplus Inventories.

Note 12.1: Bifurcation of Raw Material under broad heads:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw material		
Bitumen	508.37	671.74
Cement	1,014.04	989.85
Steel	13,120.00	11,854.28
Stone, Grit and Sand	24,211.40	15,740.95
High speed diesel and Fuel oil	1,228.38	1,447.29
Others	21,640.30	11,812.63
Total	61,722.49	42,516.74
Work-in-progress		
Road	5,260.00	-
Total	5,260.00	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

13 INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment In mutual funds	31,095.50	42,317.85
Total	31,095.50	42,317.85

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate book value of quoted investments	31,095.50	42,317.85
Aggregate market value of quoted investments	31,095.50	42,317.85
Aggregate book value of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-
Total	31,095.50	42,317.85

14 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Considered good-secured	-	-
Considered good-unsecured		
-Related parties*	-	5,508.05
-Others	1,11,258.62	62,312.81
Less: Allowance for expected credit loss	(1,381.07)	(1,245.38)
	1,09,877.55	66,575.48
Trade receivables which have significant increase in Credit Risk	-	-
Trade receivables-credit impaired**	-	3,172.74
Less: Allowance for doubtful debts	-	(3,172.74)
	-	-
Total	1,09,877.55	66,575.48

* For details Refer Note 47

** For details Refer Note 19

Movement in the expected credit loss allowance:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	4,418.12	546.62
Add: Provision for expected credit Loss (Refer Note 40)	1,320.45	698.76
Add: Impairment loss recognised during the year (Refer Note 40)	-	3,172.74
Balance at the end of the year	5,738.57	4,418.12

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Trade receivables ageing schedule as at March 31, 2023:

(₹ in Lakhs)

Particulars	Outstanding for the following period from the due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Undisputed trade receivables						
- considered good	72,807.36	22,947.61	11,524.27	736.89	3,242.49	1,11,258.62
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
Disputed Trade Receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
	72,807.36	22,947.61	11,524.27	736.89	3,242.49	1,11,258.62
Less : Allowance for credit loss						(1,381.07)
Total Trade receivables						1,09,877.55

Amount becomes due when bill is raised to the customer

Trade receivables ageing schedule as at March 31, 2022:

(₹ in Lakhs)

Particulars	Outstanding for the following period from the due date of payment					Total
	Less than 6 Months	6 Months - 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Undisputed Trade receivables						
- considered good	54,971.09	1,448.08	1,190.21	2,138.09	8,073.39	67,820.86
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	3,172.74	3,172.74
Disputed Trade Receivables						
- considered good	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-
	54,971.09	1,448.08	1,190.21	2,138.09	11,246.13	70,993.61
Less : Allowance for credit loss						(4,418.12)
Total Trade receivables						66,575.49

Amount becomes due when bill is raised to the customer

Trade receivables are hypothecated against secured borrowings of the group (For details Refer Note 22 & 28)

For information on Financial risk management objective & policies For details Refer Note 52.

There are no trade receivable due from any director or any officer of the Company, either severally or jointly with any other person or from any firm or private companies in which any director is a partner, a director or a member.

15(i) Cash & Cash Equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	180.60	284.41
Balances with bank:		
Bank accounts	27,267.42	37,701.70
Fixed deposits (with maturity less than 3 months)	14,073.45	14,140.78
Total	41,521.47	52,126.89

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

15(ii) Other Bank Balances

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed Deposits		
(with maturity less than 3 months maturity)		
Fixed deposits as margin money for bank guarantee	62.00	1,978.67
Earnest money deposits (in the form of term deposits, NSC etc.)	1,894.81	3,247.73
(with maturity more than 3 months but up to 12 months)		
Fixed deposits as margin money for bank guarantee	6,059.12	6,811.02
Earnest money deposits (in the form of term deposits, NSC etc.)	43.68	47.14
Fixed Deposits	21,052.46	10,517.00
	29,112.07	22,601.56
Current Account		
Earmarked balances-unclaimed dividend	1.38	1.25
Total	29,113.45	22,602.81

15(ii)(a) Details of FDR kept as security

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed deposits as margin money on bank guarantee		
Under lien in favour of banks as margin deposits for letter of credit and Bank guarantees	6,390.30	8,981.95
Earnest money (in form of term deposits) deposits in favour of customers	2,260.91	3,597.00
Fixed deposits	21,052.46	10,517.00
Add: Interest accrued but not due on margin money & earnest money deposits	186.76	230.00
Less: Interest accrued but not due on margin money & earnest money deposits	(186.76)	(230.00)
Total deposits	29,703.66	23,095.95
Deposits having more than 12 months maturity from reporting date		
Fixed deposits	269.19	192.26
Earnest money deposits	322.41	302.13
Total non-current deposits	591.60	494.39
Total current deposits	29,112.06	22,601.56

16 LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Loans		
Related parties*	-	26,987.00
Total	-	26,987.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans and advances considered good-secured	-	-
Loans and advances considered good-unsecured	-	26,987.00
Loans and advances which have increase in credit risk	815.00	815.00
Less: Allowance for expected credit loss	(815.00)	(815.00)
Loan receivable-credit impaired	-	6,942.56
Less- Allowance for credit impairment	-	(6,942.56)
Total	-	26,987.00

* The Company has given non-interest bearing unsecured loan to its associate for financial assistance.

* For details Refer Note 47 & 60

(₹ in Lakhs)

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Loan Outstanding	% to Total Loan	Loan Outstanding	% to Total Loan
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties				
Associates				
Ghaziabad Aligarh Expressway Private Limited	-	-	21,802.00	78.42%
Joint-operation				
PNC-SPSCPL(JV)	-	-	-	-
Other Related parties				
Shekhar Resorts Limited	-	-	3,000.00	10.79%
NCJ Infrastructure Private Limited	-	-	3,000.00	10.79%
Total	-	0.00%	27,802.00	100.00%

17 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Retentions & Security Deposits		
With departments	7,682.59	7,260.26
Others	11.07	0.05
Less: Allowance for expected credit loss	(1,184.76)	-
Others		
Interest accrued but not due on margin money, earnest money deposits & FDR	775.22	654.75
Total	7,284.12	7,915.06

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

18 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Balances with statutory authorities	5,517.31	6,012.07
Unbilled Revenue	5,138.57	-
Advances to suppliers/Contractors		
Considered good - unsecured	13,139.20	11,607.19
Other receivables		
Mobilisation advance to sub-contractors	945.48	1,367.65
Other advances	2,284.35	3,081.32
Total	27,024.91	22,068.23

19 ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Investment in Associate*		
Nil equity shares (Previous Year 6,79,00,000) of Ghaziabad Aligarh Expressway Private Limited of ₹ 10 each (Face value ₹ 10 each)	-	4,009.21
Less- Impairment loss on investments	-	(3,834.21)
Total	-	175.00

The Holding company, along with its wholly owned subsidiary, PNC Infra Holdings Limited and other partners/promoters, on April 01, 2021, entered into a 'Share Purchase Agreement' and other related transaction documents inter alia for sale its entire stake of 35% (which includes 19.88% stake held by PNC Infra Holdings Limited, a Wholly Owned Subsidiary of Holding company) in Ghaziabad Aligarh Expressway Private Limited, an "Associate" of the Company to Cube Highways and Infrastructure Private Limited ("Cube Highways"). This transaction was subject to applicable regulatory requirements and complying with the conditions precedent, more specifically laid down in the Share Purchase Agreement. During the 3rd quarter, the Group had provided impairment loss of ₹ 13,949.51 lakhs in other expenses. Now the deal is finally concluded on May 26, 2022 and total consideration has been received.

20 SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised		
Equity Shares of ₹ 2 each		
27,50,00,000 (Previous year 27,50,00,000)	5,500.00	5,500.00
	5,500.00	5,500.00
Issued ,Subscribed & Fully Paid up*		
Equity Shares of ₹ 2 each		
25,65,39,165 (Previous year 25,65,39,165)	5,130.78	5,130.78
Total	5,130.78	5,130.78

* Refer Statement of changes in equity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

A Reconciliation of number of shares outstanding at the beginning and at the end of the year:

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
	Nos.	Nos.
Opening	25,65,39,165	25,65,39,165
Change during the year	-	-
Closing	25,65,39,165	25,65,39,165

B Details of shares held by shareholders holding more than 5% in the parent company:

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of Shares	% Holdings	No of Shares	% Holdings
NCJ Infrastructure Private Limited	2,47,65,000	9.65	2,47,65,000	9.65
HDFC Mutual Fund	2,31,01,174	9.00	2,23,09,699	8.70
Naveen Kumar Jain	1,80,96,000	7.05	1,80,96,000	7.05
Madhavi Jain	1,79,98,500	7.02	1,79,98,500	7.02
Yogesh Kumar Jain	1,67,94,000	6.55	1,67,94,000	6.55
Pradeep Kumar Jain	1,53,49,500	5.98	1,53,49,500	5.98

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

C Shares held by promoters at the end of the year

Promoter Name	As at March 31, 2023				As at March 31, 2022		
	No of Shares	Change during the year	% Holdings	% Change during the year	No of Shares	Change during the year	% Holdings
Pradeep Kumar Jain	1,53,49,500	-	5.98	-	1,53,49,500	-	5.98
Naveen Kumar Jain	1,80,96,000	-	7.05	-	1,80,96,000	-	7.05
Chakresh Kumar Jain	25,14,000	-	0.98	-	25,14,000	-	0.98
Yogesh Kumar Jain	1,67,94,000	-	6.55	-	1,67,94,000	-	6.55
Meena Jain	74,26,500	-	2.89	-	74,26,500	-	2.89
Ashita Jain	78,73,500	-	3.07	-	78,73,500	-	3.07
Madhavi Jain	1,79,98,500	-	7.02	-	1,79,98,500	-	7.02
Vaibhav Jain	1,16,71,500	-	4.55	-	1,16,71,500	-	4.55
Pradeep Kumar Jain HUF	52,50,000	-	2.05	-	52,50,000	-	2.05
Naveen Kumar Jain HUF	1,500	-	0.00	-	1,500	-	0.00
Chakresh Kumar Jain HUF	92,56,500	-	3.61	-	92,56,500	-	3.61
Yogesh Kumar Jain HUF	51,01,500	-	1.99	-	51,01,500	-	1.99
Abhinandan Jain	17,43,000	-	0.68	-	17,43,000	-	0.68
NCJ Infrastructure Private Limited	2,47,65,000	-	9.65	-	2,47,65,000	-	9.65

D Rights and restrictions attached to equity shares

The parent company has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. In case any dividend is proposed by the board of directors the same is subject to the approval of the shareholders in the ensuing annual general meeting, except in the case of interim dividend. There are no restrictions attached to equity shares after the issue of 1,29,21,708 shares, prior to the IPO, the equity shares were subject to restrictions as per investments agreement dated January 11, 2011 and subsequent amendment thereto.

E There are no bonus shares/shares issued for consideration other than cash and no shares have been bought back during immediately preceding five years.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

21 OTHER EQUITY

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Securities premium*		
Opening balance	59,021.92	59,018.18
Change during the year	3.18	3.74
Closing balance	59,025.09	59,021.92
General Reserve*		
Opening balance	128.96	128.96
Change during the year	-	-
Closing Balance	128.96	128.96
Retained Earnings*		
Balance as at the beginning of the year	2,98,527.61	2,41,038.09
(+) Net Profit for the year	65,845.06	58,017.58
Item of other comprehensive income directly booked in retained earnings		
- Remeasurement profit/(loss) of defined benefit obligation (net of taxes)	352.91	(339.12)
(-) Final dividend paid on equity shares	(1,282.70)	(1,282.70)
(+) Adjustment during the year	123.09	-
(+) Arising on account of consolidation	653.53	1,093.75
Closing balance	3,64,219.50	2,98,527.60
Total	4,23,373.55	3,57,678.48

* Refer Statement of changes in Equity

Dividend distribution made and proposed

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Dividend paid on equity shares		
Final dividend for the year ended March 31, 2022 of ₹ 0.5 per equity share of ₹ 2 each	1,282.70	-
Final dividend for the year ended March 31, 2021 of ₹ 0.5 per equity share of ₹ 2 each		1,282.70
Total	1,282.70	1,282.70
(b) Dividend proposed on equity shares*		
Final dividend for the year ended March 31, 2023 of ₹ 0.5 per equity share of ₹ 2 each	1,282.70	-
Final dividend for the year ended March 31, 2022 of ₹ 0.5 per equity share of ₹ 2 each	-	1,282.70
Total	1,282.70	1,282.70

*Proposed dividend on equity shares is subject to the approval at the annual general meeting and was not recognised as a liability as at end of the financial year

Description of nature and purposes of each reserve

Securities Premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

General Reserve

It represents appropriation of profit by the group.

Retained Earnings

Retained earning represents undistributed profit of the Company which can be distributed to its equity shareholder in accordance with the requirement of the Companies Act, 2013.

Other Comprehensive Income

Other Comprehensive Income represents the balance in equity for the items to be accounted in other comprehensive income.

Other Comprehensive Income is classified into, (i) Items that will not be reclassified to profit or loss (ii) Items that will be reclassified to profit or loss

22 NON-CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Term loans -from banks (For maturity pattern refer details below)	5,77,364.71	4,45,507.83
Term loans -from NBFCs (For maturity pattern refer details below)	-	919.28
Non-convertible debentures	28,547.50	30,050.00
Less: Current maturities of long-term debt		
Term loans -from banks (For maturity pattern refer details below)	(49,009.38)	(40,472.27)
Term loans -from NBFCs (For maturity pattern refer details below)	-	(843.06)
Non-convertible debentures	(976.63)	(1,502.50)
Total	5,55,926.21	4,33,659.27

(1) Specific conditions for term loans:

Subsidiary Name	Other Conditions	Repayment Schedule
MP Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 51%.	Borrowings are repayable in 115 unequal monthly instalments which commenced from September 2013.
PNC Bareilly Nainital Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 51%.	Borrowings are repayable in 144 unequal monthly instalments which commenced from March, 2016.
PNC Raebareli Highways (P) Limited	Pledge of equity shares of the borrower shall be reduced from 51% to 26% subject to compliance of all the provisions of financing documents.	The loan is repayable in 25 unequal half yearly instalments commencing from July 2017. The loan is repayable in 25 structured half yearly instalments starting from July 2018
PNC Kanpur Highways Limited	Pledge of equity shares held by the sponsor aggregating to 51%	The loan is repayable in 102 unequal monthly instalments commencing from January 2016.
PNC Chitradurga Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 51%	The loan is repayable in 24 unequal half yearly instalments commencing after 6 months from date of Scheduled commercial operation date.
PNC Bundelkhand Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 51%	The loan is repayable in 26 unequal half yearly instalments commencing after 7 months from date of Scheduled commercial operation date.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

Subsidiary Name	Other Conditions	Repayment Schedule
PNC Khajuraho Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 30%	The loan is repayable in 24 unequal half yearly instalments commencing after 6 months from date of Scheduled commercial operation date .
PNC Aligarh Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 51%	The loan is repayable in 27 unequal half yearly instalments commencing after 6 months from date of Scheduled commercial operation date.
PNC Triveni Sangam Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 51%	The loan is repayable in 25 unequal half yearly instalments commencing after 7 months from date of Scheduled commercial operation date.
PNC Gomti Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 30%	The loan is repayable in 24 unequal half yearly instalments commencing after 6 months from date of Scheduled commercial operation date.
PNC Meerut Haridwar Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 51%	The loan is repayable in 25 unequal half yearly instalments commencing after 7 months from Scheduled commercial operation date .
PNC Bithur Kanpur Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 51%	The loan is repayable in 27 unequal half yearly instalments commencing after 7 months from Scheduled commercial operation date.
PNC Challakere (Karnataka) Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 51%	The loan is repayable in 27 structured half yearly instalments commencing after 7 months from Scheduled commercial operation date.
PNC Unnao Highways (P) Limited	Pledge of equity shares held by the sponsor aggregating to 51%	The loan is repayable in 25 unequal half yearly instalments commencing after 6 months and 15 days from Scheduled commercial operation date.

Loans are repayable as under:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Payable within one year	49,986.00	42,817.83
Payable between one to three years	1,08,661.02	1,02,190.55
Payable after three years	4,47,265.19	3,31,468.72
Total	6,05,912.21	4,76,477.10

(2) Common Conditions for term loans:-

- (i) The above loans are secured by way of hypothecation of asset financed out of said loans.
- (ii) The above loans are repayable in monthly/half yearly instalments over the period of loan.
- (iii) A first mortgage and charge on all the borrowers immovable properties both present and future save and except the project assets.
- (iv) A first charge by way of hypothecation of the borrower movable, including current and non current assets save and except the project assets.
- (v) A first charge on borrowers receivables save and except the project assets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

- (vi) A first charge over all the bank accounts of the borrower, the escrow account, sub accounts, major maintenance account debt service reserve account.
- (vii) A first charge on all the intangible assets excluding the project assets
- (viii) A first charge by way of assignment or otherwise creation of security interest in all the rights, title, interests, benefits, claims and demands.
- (ix) The above loans carry Interest rates ranging from 6.25% to 9.55%.
- (x) Term loans raised during the year have been used for the same purpose for which it was drawn.

(3) Non-convertible debentures:

(A) Nature of security -

- (i) First charge on all the Company's immovable assets (save and except project assets), if any, both present and future.
- (ii) First charge on all the Company's tangible moveable assets, including moveable Plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets (save and except project assets), if any, both present and future.
- (iii) First charge over all the banks accounts of the Company, the Escrow account, sub accounts
- (iv) First charge over all intangible assets including but not limited to goodwill, rights undertaking and uncalled capital present and future excluding the project assets. Further, a charge on uncalled capital shall be subject to the provisions of the concession agreement.
- (v) Assignment by way of Security in the rights, title and interest of the Company's related to the project from all contracts, insurances, licenses, in to and under all project agreement (including the Concession Agreement) to which the Company is Party to, including contractor guarantees, liquidated damages and all other contracts relating to project, provided such charge shall be limited to and to arise to the extent provided under substitution Agreement.
- (vi) Pledge of 51% of the issued, paid up and voting Equity share capital of the Company held by promoter or any other person till the final settlement date, provided that any enforcement of the pledge over share shall be subject to the terms of the Concession Agreement.

(B) Redemption

- (i) The Company agrees and undertakes to redeem the debentures in semi-annual structured principal instalments, maturity profile is as follows-

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Redeemable within one year	976.63	1,502.50
Redeemable between one to three years	8,278.78	4,116.85
Redeemable after three years	19,292.09	24,430.65
Total	28,547.50	30,050.00

(4) Unsecured loan

- (i) Unsecured loan taken is interest free and shall be repayable subject to prior approval of lenders after complying with the conditions as stipulated in their sanction.

23 NON CURRENT LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities*	689.40	1,048.33
Total	689.40	1,048.33

* For details refer note 55

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

24 | TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro & small enterprises* (For details Refer note 24.1)	-	-
Total outstanding dues of creditors other than micro & small enterprises	-	11,973.33
Total	-	11,973.33

Note 24.1 Based on available information, the outstanding is to the extent of information received by Company under the Micro, Small & Medium Enterprises Development Act 2006 as below:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
- Principal amount due to suppliers	-	-
- Interest accrued due to suppliers on the above amount and unpaid.	-	-
- The amount of interest paid by the Company in terms of Section 16 of the MSMED Act 2006, along with the amount of the payment made to the supplier beyond the appointed date during each accounting year.	-	-
- The amount of interest due and payable for the period of delay in making payment(which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
- Interest accrued and remaining unpaid at the end of the each accounting year.	-	-
- Amount of further interest remaining due and payable in succeeding years, until such date when the interest dues above are actually paid to small enterprise, for the purpose of disallowance of a deductible expenditure u/s 23 of MSMED Act, 2006	-	-

25 | OTHER NON CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Retention from contractors/suppliers	37,669.70	33,129.52
Security received from contractor/suppliers	47.06	47.06
Total	37,716.77	33,176.59

26 | NON CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits*	1,761.96	1,597.63
Provision for gratuity (funded)	59.89	30.26
Provision for gratuity (unfunded)	443.20	459.77
Provision for leave liability (unfunded)		
Other Provisions		
Provision for major maintenance**	26,397.21	30,623.90
Total	28,662.26	32,711.55

*For details refer note 49

**The Company has a constructive obligation to maintain and manage the revenue generating infrastructure due to which it is probable that economic resources will be required to settle the obligation. The management estimated the carrying amount of provisions of major maintenance that are subject to change to actual maintenance to be held in prospective years.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

NOTE 26.1: MOVEMENT OF PROVISION FOR MAJOR MAINTENANCE

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount at the beginning of the year	30,623.90	27,021.24
Additional provision made during the year	-	3,602.66
Amount used during the year	(4,226.69)	-
Amount reversed during the year	-	-
Carrying amount at the end of the year	26,397.21	30,623.90

27 OTHER NON CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from customers	18,667.59	15,805.09
Deferred retentions	537.71	1,803.00
Total	19,205.30	17,608.08

28 CURRENT BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
A. Current maturities of long-term debt*		
Term loan from banks	49,009.38	40,472.27
Term loan from NBFCs	-	843.06
Non-convertible debentures	976.63	1,502.50
B. Working capital loans		
From bank	20,405.79	-
Unsecured		
Loan repayable on demand from related parties**	814.95	1,406.61
Total	71,206.75	44,224.45

*For details refer note 22

**For details refer note 47

The requisite particulars in respect of secured borrowings are as under:

(₹ in Lakhs)

Particulars	Particulars of security/guarantee
Loan repayable on demand from banks-	
Working capital loans	Cash credit facilities and working capital demand loans from consortium of banks are secured by:
	(i) Hypothecation against first charge of Stocks viz raw material, stocks in process, finished goods, stores and spares and book debts of the Company.
	(ii) Further secured by hypothecation of plant & machinery (except hypothecated to Banks and NBFCs)
	(iii) Equitable mortgage of 6 properties (Land & Buildings) as per joint deed of Hypothecation belonging to the Directors, group company and relatives of directors.
	(iv) Corporate guarantee of Taj Infrabuilders Private Limited.
	(v) Personal guarantee of promoters and relatives of directors.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

29 CURRENT LEASE LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liabilities*	328.34	362.10
Total	328.34	362.10

* For details Refer Note 55

30 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro & small enterprises (Refer Note 30.1)	12,960.67	4,388.59
Total outstanding dues of creditors other than micro & small enterprises	55,861.62	47,038.70
Total	68,822.29	51,427.29

Note 30.1 Based on available information, the outstanding is to the extent of information received by Company under the Micro, Small & Medium Enterprises Development Act, 2006 as below:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
- Principal amount due to suppliers	12,960.67	4,388.59
- Interest accrued due to suppliers on the above amount and unpaid.	-	-
- The amount of interest paid by the Company in terms of Section 16 of the MSMED Act 2006, along with the amount of the payment made to the supplier beyond the appointed date during each accounting year.	-	-
- The amount of interest due and payable for the period of delay in making payment(which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
- Interest accrued and remaining unpaid at the end of the each accounting year.	-	-
- Amount of further interest remaining due and payable in succeeding years, until such date when the interest dues above are actually paid to small enterprise, for the purpose of disallowance of a deductible expenditure u/s 23 of MSMED Act, 2006	-	-

Trade Payables ageing schedule for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Outstanding for following period from the due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	12,960.67	-	-	-	12,960.67
Others	49,105.47	1,320.94	661.30	4,773.91	55,861.62
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
Total Trade Payables	62,066.14	1,320.94	661.30	4,773.91	68,822.29

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Trade Payables ageing schedule for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following period from the due date of payment				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
MSME	4,388.59	-	-	-	4,388.59
Others	37,145.90	4,763.68	2,986.39	2,142.73	47,038.70
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
Total Trade Payables	41,534.49	4,763.68	2,986.39	2,142.73	51,427.29

31 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Capital creditors	323.03	114.60
Due to employees	3,990.34	3,889.40
Retention money payable	16,152.96	15,725.93
Unpaid dividend*	1.38	1.25
Expenses payable	5,072.93	4,033.28
Total	25,540.63	23,764.46

*An amount of ₹ 1,269 (in rupees) which was due and payable and remained unclaimed and unpaid for a period of seven years, was transferred to Investor Education and Protection Fund for the financial year 2014-15.

32 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance received from contract customers & others	14,938.55	47,730.45
Statutory dues	3,126.29	1,927.19
Total	18,064.85	49,657.65

33 CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Employee benefits*		
Provision for gratuity (funded)	77.48	69.52
Provision for gratuity (unfunded)	13.72	4.33
Provision for leave liability (unfunded)	186.72	180.38
Others		
Provision for income tax	6,149.39	1,833.09
Total	6,427.31	2,087.31

* For details Refer Note 49

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

34 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
Sale of product		
Contract revenue*	6,74,910.06	6,12,935.67
Toll collection	67,438.79	72,580.55
Other operating revenues		
(a) Sale of material and others	60.63	714.36
(b) Sale of scrap material	37.73	18.34
(c) Interest on service concession receivables	53,161.07	34,554.64
Total	7,95,608.29	7,20,803.56

*Including Bonus received for early completion of the project amounting of ₹ 3,701.52 lakhs (Previous year ₹ 8,268.48 lakhs) and arbitration award of ₹ 39.63 lakhs received from AFS Panagarh.

Bifurcation of Contract revenue is as under:

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
Contract revenue		
Road	5,82,374.88	6,02,126.13
Airport runways	39.63	-
Water projects	92,495.56	10,809.55
Total	6,74,910.06	6,12,935.67

35 OTHER INCOME

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
Interest income:		
From bank	1,834.42	1,602.56
From others	415.69	521.23
Profit/(loss) on disposal of property, plant & equipments (net)	(21.56)	33.70
Profit/(loss) on fair valuation of investments (net)	227.73	(318.95)
Profit/(loss) on redemption of mutual funds (net)	2,464.81	3,488.03
Profit/ (loss) on lease modification	6.83	-
Unwinding of interest income on financial instruments	1,443.17	2,140.24
Other non-operating income*	1,671.29	1,431.82
Profit/loss on sale of Investments	20.49	-
Total	8,062.88	8,898.63

*During the F.Y. 2022-23 interest income on Income tax refund of ₹ 155.91 lakhs (Previous year interest income on Income tax refund of ₹ 152.82 lakhs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

36 COST OF MATERIAL CONSUMED

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
Raw material	3,34,700.62	3,19,274.89
Total	3,34,700.62	3,19,274.89

37 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
Salaries, wages & bonus	36,505.65	36,984.34
Gratuity expenses (Refer note 49)	679.99	494.52
Contributions to - provident fund & other funds	63.35	201.36
Workmen & staff welfare expenses	222.59	185.58
Total	37,471.58	37,865.81

38 FINANCE COST

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
(a) Interest cost on:		
Borrowings	40,459.96	36,459.08
(b) Others:		
Unwinding of financial liabilities	5,077.20	4,517.34
(c) Other borrowing costs		
Loan processing charges	71.26	135.23
Guarantee charges	1,309.99	1,220.98
Others	72.02	199.60
Total	46,990.43	42,532.23

39 DEPRECIATION AND AMORTISATION EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
Depreciation on:		
Property, plant and equipments	10,631.28	12,055.21
Amortisation on:		
Intangible assets	14,310.59	26,028.06
Right-of-use assets	382.01	418.81
Deferred retention assets	7.23	517.41
Total	25,331.11	39,019.49

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

40 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
Consumption of stores & spares*	13,419.41	10,435.06
Power & fuel	3,088.99	2,305.81
Contract paid incl. construction cost	1,69,119.80	1,18,552.08
Hire charges of machineries	3,251.33	6,299.67
Other construction expenses	13,461.57	10,761.24
Rent	988.80	889.69
Insurance	2,254.40	2,069.06
Repairs to buildings	127.37	93.48
Travelling and conveyance	703.19	563.46
Postage & telephone	29.05	23.81
Legal & professional expenses	2,184.09	1,894.01
Rates and taxes**	10,406.40	24,021.49
Printing & stationery	7.68	8.54
Auditor's remuneration		
Audit fees	48.27	38.42
Certification fees	7.00	5.00
For reimbursement of expenses	2.48	1.81
Advertisement expenses	1.35	3.08
Tender & survey expenses	96.99	104.63
Hire charges of vehicles	113.75	85.34
Director's sitting fees	11.00	7.50
Allowance for expected credit loss	1,320.45	698.77
Impairment loss on associate		
Impairment loss on trade receivables (For details Refer note 14)	-	3,172.74
Impairment loss on unsecured loan (For details Refer note 16)	-	6,942.56
Impairment loss on investments (For details Refer note 19)	-	3,834.21
Expenses written off	-	21.94
Corporate social responsibility (For details Refer note 54)	1,670.13	1,307.28
Miscellaneous and general expenses***	6,601.40	3,407.17
Major maintenance cost	4,623.12	3,602.66
Concession fees	29,893.27	9,064.97
Total	2,63,431.28	2,10,215.50

* Being all material repair jobs are done in-house, the expenses of repair to plant and machinery are not significant, and also because numerous repair jobs are done and it is difficult to segregate the repair expenses from consumption of store & spares.

** Includes GST expenses of ₹ 5,780.30 lakhs (Previous year ₹ 18,634.73 lakhs)

***Includes Foreign Exchange loss of ₹ 1.43 lakhs (Previous year Foreign Exchange gain ₹ 40.00 lakhs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

41 TAX EXPENSE

A. Income Tax Expense

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
(a) Current tax		
Current tax on profit for the year	26,565.07	19,312.27
Adjustments for current tax of earlier years	731.79	(409.43)
Total Current tax expense	27,296.86	18,902.84
(b) Deferred tax		
Relation to origination of temporary Differences	2,462.98	2,622.35
Adjustments of Tax relating to earlier years		
- Remeasurement of deferred tax on a/c of new tax regime	141.26	1,041.09
Total Deferred Tax Expense	2,604.24	3,663.44
Total Income tax Expense	29,901.10	22,566.28

(B) Reconciliation of tax expense and accounting profit multiplied by Company's Domestic tax rate:

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
Profit before tax	95,746.16	80,609.26
Applicable tax rate	25.168%	25.168%
Computed tax expense	24,097.39	20,287.74
Tax Adjustments for earlier years		
Tax for earlier years	590.53	(1,450.52)
Adjustments of tax relating to earlier years		
- Remeasurement of deferred tax on a/c of new tax regime	141.26	1,041.09
Others:		
Tax at lower rates on subsidiary	(229.65)	(43.34)
Income Tax Exempt under Tax Holiday	(932.75)	(3,372.04)
Expenses not allowed for tax purposes	3,009.73	1,203.37
Income Tax on Profit on Sale of Mutual Fund	620.34	223.33
Tax Effect due to Carried forward of Losses & Preliminary Expenses	-	-
Minimum Alternative tax credit	141.26	1,013.21
Deferred tax	2,462.98	3,663.44
Income Tax expense charged to profit & loss	29,901.10	22,566.28

42 EARNING PER EQUITY SHARE

In accordance with Ind AS-33 'Earning Per Share', the following table reconciles the numerator and denominator used to calculate basic and diluted earning per share:

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
(a) Profit/(loss) available to equity shareholders (₹ in lakhs)	65,845.06	58,042.99
(b) Weighted average number of equity shares outstanding	25,65,39,165	25,65,39,165
(c) Nominal value per share (In ₹)	2.00	2.00
Basic & diluted earning per share (In ₹) (a/b)	25.67	22.63

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

43 | CONTINGENT LIABILITIES & ASSETS

43.1 Contingent Liabilities

(₹ in Lakhs)		
Particulars	Year ended March 31, 2023	Year Ended March 31, 2022
Claims against the Parent Company not acknowledged as debts		
Disputed demand of Income Tax A.Y. 2010-11 (disputed demand of Income tax includes, net of advance tax & TDS under verification, adjusted from demand of ₹ 3,351.00 lakhs arose in assessment of search proceedings up to AY 2012-13 for which company has won the appeal, but department has filed the appeal with Hon. High court).	645.81	645.81
Disputed demand of Sales Tax/VAT/GST for which company preferred appeal	209.76	1,883.61
Disputed demand of Service Tax for which company preferred appeal	214.07	206.97
Disputed demand of Entry Tax for which company preferred appeal	20.08	38.00
Others (including motor accident, labour & civil matters)	101.60	84.93
(Interest and penalties, if any, in above cases will be decided at the time of settlement)		
Court Case by NHAI against claim award of NH-24 Project	-	14,527.00
Others		
- Letter of credit outstanding	27,120.42	10,624.00

43.2 Contingent Assets

The status of various project claims in arbitration is as under:

- (a) The Company had initiated arbitral proceedings against the Uttar Pradesh Public Works Department (UP PWD) for compensation for ₹ 851.31 lakhs (including interest) towards extra cost incurred on procurement of different material, distant source in relation to the project "rehabilitation Road (Gomat) under Uttar Pradesh State Road Project. The arbitral Tribunal has pronounced its unanimous award dt. March 07, 2014 for ₹ 702.31 lakhs (including interest) in favors of the Company. The respondent UP PWD has preferred objection against the aforesaid award before the Distt. Judge Mathura and the case was transferred to The Ld. Judge Commercial Court Agra and the Ld. Judge Commercial Court Agra had rejected the petition of UP PWD on January 30, 2020 and the petition has been filed by UP PWD in Hon'ble Allahabad High Court against Commercial Court order and Hon'ble court has dismissed the case by its order dated January 12, 2023 for none present of appellant (UP PWD) even revised call, UPPWD again filed application for recall of this order. Treatment of the same will be done on final settlement.
- (b) The Company had initiated arbitral proceedings against the HSRDC for compensation for ₹ 3,091.00 lakhs (including interest). The arbitral Tribunal has pronounced its unanimous award dt. February 03, 2019 for ₹ 3,091.00 lakhs in favors of the Company. The respondent HSRDC has challenged this award. HSRDC has filed an application u/s 36(2) in District Judge Chandigarh for stay of operation of impugned Award. Now next hearing is on May 26, 2023 for depositing the 100%/ awarded amount in the form of FDR in the name of court. Treatment of the same will be done on final settlement.
- (c) PNC Kanpur Highways Limited has a pending arbitration case against National Highways Authority of India (NHA) arising out of the Concession agreement executed on March 11, 2011 for development of "Two laning with paved shoulders of Kanpur to Kabrai section of NH-86 from Km. 7.430 to Km. 130.100 in the state of Uttar Pradesh on design, build, finance, operate, transfer (DBFOT) on toll basis". The Company has raised claims for total amount of ₹ 61,876.10 lakhs (previous year ₹ 61,876.10 lakhs) including interest in the said arbitration against NHA. The arbitration proceedings have since been concluded on April 23, 2021 and the arbitral Tribunal has declared the award of ₹ 51,100.00 lakhs (previous year ₹ 51,100.00 lakhs) have been awarded in company's favour. NHA has filed the petition against Award in Hon'ble High Court, New Delhi.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

- (d) PNC Raebareli Highways Private Limited has a pending arbitration case against National Highways Authority of India (NHA) arising out of the Concession agreement executed on November 09, 2012 for development of "Two laning with paved shoulders of Raebareli to Jaunpur section of NH-231 from Km. 0.000 to Km. 166.400 in the state of Uttar Pradesh under NHDP Phase-IV A on design, build, finance, operate, transfer (DBFOT) on Annuity basis". The Company has raised claims for total amount of ₹ 38,925.93 lakhs (previous year ₹ 38,925.93 lakhs) including interest in the said arbitration against NHA. The arbitration proceedings have since been concluded on November 28, 2022 and the Arbitral Tribunal has declared the award of ₹ 16,487.00 lakhs (previous year ₹ nil) have been awarded in company's favour. PNC filed Execution petition and NHA has filed petition under section 34 against Award in Hon'ble High Court, New Delhi.

44 GUARANTEES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year Ended March 31, 2022
(i) Bank Guarantees - Executed in favour of National Highways Authority of India and others	2,82,324.68	2,98,762.10
(ii) Corporate guarantee -	-	3,455.07
- The outstanding liability at reporting date against the corporate guarantee of ₹ 20,500.00 lakhs issued in favour of bank, jointly & severally along with promoter of the associate and further indemnified by another promoter to the extent of its shareholding for credit facilities extended to an associate (the entire share capital of which is held by Company and the said two promoters)*		

* For details Refer Note 47

45 COMMITMENTS

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2023	Year Ended March 31, 2022
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	1,159.93	50.31
(b) Capital Commitment for Equity and others (Net of Investment)		
Kanpur Lucknow Expressway Private Limited	16,516.00	-
Awadh Expressway Private Limited	16,453.00	-
Akkalkot Highways Private Limited	17,188.00	-
Yamuna Highways Private Limited	9,941.00	-
Hathras Highways Private Limited	8,398.00	-
Hardoi Highways Private Limited	9,649.00	-
Sonauli Gorakhpur Highways Private Limited	16,542.00	-
PNC Bundelkhand Highways Private Limited	-	2,000.00
PNC Triveni Sangam Highways Private Limited	2,056.00	4,956.00
PNC Challakere Highways Private Limited	4,315.00	6,015.00
PNC Bithur Kanpur Highways Private Limited	3,195.00	9,695.00
PNC Gomti Highways Private Limited	3,441.00	12,982.00
PNC Meerut Haridwar Highways Private Limited	3,467.00	11,834.00
PNC Unnao Highways Private Limited	7,489.00	7,889.00

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

46 | DISCLOSURE PURSUANT TO INDIAN ACCOUNTING STANDARD-115 "REVENUE FROM CONTRACT WITH CUSTOMERS"

(₹ in Lakhs)

(a) Type of Goods or Services	Construction and Toll collection
(b) Geographical Region	India
(c) Market or Type of Customer	Government and Non-Government
(d) Type of Contracts	Fixed-price Construction Contracts
(e) Contract Duration	Long-term Contracts
(f) Timing of transfer of Goods or Services	Transferred over a period of time
(g) Sales Channels	Directly to customer
(h) Opening Trade receivables	₹ 5,85,012.80 (In lakhs)
(i) Closing Trade receivables	₹ 7,92,232.60 (In lakhs)
(j) Contract Assets	Nil
(k) Contract Liabilities	

47 | RELATED PARTY DISCLOSURES

The names of related parties where control exist and/or with whom transactions have taken place during the year and description of relationship as identified and certified by the management are:

A. List of Related Parties and Relationships

Associates

- Ghaziabad Aligarh Expressway Private Limited (upto May 26, 2022)

Key Managerial Personnel (KMP)

- | | | |
|---|-------------------------|----------------------------------|
| 1 | Pradeep Kumar Jain | (Chairman and Managing Director) |
| 2 | Chakresh Kumar Jain | (Managing Director) |
| 3 | Yogesh Kumar Jain | (Managing Director) |
| 4 | Anil Kumar Rao | (Whole Time Director) |
| 5 | Talluri Raghupati Rao | (Whole Time Director) |
| 6 | Bhupinder Kumar Sawhney | (Chief Financial Officer) |
| 7 | Tapan Jain | (Company Secretary) |

Relatives of Key Managerial Personnel

- | | | |
|----|---|--|
| 1 | Meena Jain | (W/o Pradeep Kumar Jain) |
| 2 | Renu Jain | (W/o Naveen Kumar Jain) |
| 3 | Madhvi Jain | (W/o Chakresh Kumar Jain) |
| 4 | Ashita Jain | (W/o Yogesh Kumar Jain) |
| 5 | Bijali Rao | (W/o Anil Rao) |
| 6 | Harshvardhan Jain | (S/o Chakresh Kumar Jain) |
| 7 | Sakshi Jain | (D/o Yogesh Kumar Jain) |
| 8 | Anuj Jain | (S/o Chakresh Kumar Jain) |
| 9 | Vaibhav Jain | (S/o Naveen Kumar Jain) |
| 10 | Anirudh Jain (w.e.f. November 01, 2022) | (S/o Pradeep Kumar Jain) |
| 11 | Naveen Kumar Jain | (Brother of Chairman and Managing Directors) |
| 12 | Talluri Bharatha | (W/o Talluri Raghupati Rao) |
| 13 | Apoorva Rao | (D/o Anil Kumar Rao) |

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Enterprises over which key managerial person are able to exercise significant influence

- 1 MA Buildtech Private Limited (upto July 31, 2022)
- 2 Taj Infra Builders Private Limited (upto July 31, 2022)
- 3 Subhash International Private Limited
- 4 Exotica Buildtech Private Limited (upto July 31, 2022)
- 5 Shri Mahaveer Infrastructure Private Limited
- 6 Gional Infratech LLP
- 7 Royal Megatech Private Limited
- 8 Ideal Buildtech Private Limited
- 9 AHVS Infra LLP (w.e.f. September 01, 2021)
- 10 SPIPL Manning Private Limited (w.e.f. February 01, 2022)
- 11 Mahaveer Manning Private Limited (w.e.f. February 01, 2022)
- 12 M.A. Infraprojects Private Limited (w.e.f. February 01, 2022)
- 13 Shekhar Resorts Limited
- 14 NCJ Infrastructure Private Limited
- 15 Pradeep Kumar Jain HUF
- 16 Yogesh Kumar Jain HUF (upto July 31, 2022)
- 17 Naveen Kumar Jain HUF

B. The following transactions were carried out with the related parties in the ordinary course of business:

(₹ in Lakhs)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	Transactions during the Year		
1	Receipt on account of EPC and Other Contract		
	Joint Venture		
	PNC SPSCPL-JV	29,436.44	13,085.37
	Total	29,436.44	13,085.37
2	Payment of Rent/Services		
	Key Managerial Personnel (KMP)		
	Pradeep Kumar Jain	13.50	13.50
	Chakresh Kumar Jain	15.00	15.00
	Yogesh Kumar Jain	15.00	15.00
	Relatives of Key managerial personnel		
	Naveen Kumar Jain	13.50	13.50
	Meena Jain	32.75	32.75
	Madhvi Jain	17.75	17.75
	Renu Jain	17.75	17.75
	Ashita Jain	17.75	17.75
	Anuj Jain	12.00	2.00
	Enterprises over which key managerial person are able to exercise significant influence		
	Subhash International Private Limited	71.58	71.58
	Exotica Buildtech Private Limited	6.30	18.90
	Shri Mahaveer Infrastructure Private Limited	4.80	4.80

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	MA Buildtech Private Limited	1.25	3.75
	Taj Infra Builders Private Limited	3.75	14.44
	Gional Infratech LLP	62.53	60.00
	Royal Megatech Private Limited	40.20	33.50
	SPIPL Manning Private Limited	18.00	5.00
	Mahaveer Manning Private Limited	30.00	5.00
	M.A. Infraprojects Private Limited	48.00	8.00
	AHVS Infra LLP	15,020.65	8,583.41
	Pradeep Kumar Jain HUF	18.00	18.00
	Naveen Kumar Jain HUF	15.00	15.00
	Yogesh Kumar Jain HUF	4.00	12.00
	Total	15,499.05	8,998.37
3	Mobilisation Advance/Security Deposits Received		
	Other Related parties		
	Ideal Buildtech Private Limited	-	50.00
	Total	-	50.00
4	Sale/ Purchase of Investments/ Loan and Share Application Money in Equity Share Capital		
	Associate Company		
	Ghaziabad Aligarh Expressway Private Limited	-	4,080.00
	Enterprises over which key managerial person are able to exercise significant influence		
	NCJ Infrastructure Private Limited	-	3,000.00
	Shekhar Resorts Limited	-	3,000.00
	Total	-	10,080.00
5	Interest Income		
	Enterprises over which key managerial person are able to exercise significant influence		
	Gional Infratech LLP	24.00	32.00
	Total	24.00	32.00
6	Compensation to Key Managerial Personnel		
(i)	Key managerial personnel (KMP)		
	Pradeep Kumar Jain	1,232.13	1,200.93
	Chakresh Kumar Jain	1,199.13	1,170.93
	Yogesh Kumar Jain	1,199.13	1,170.93
	Anil Kumar Rao	106.43	96.75
	Talluri Raghupati Rao	91.21	76.78
	Bhupinder Kumar Sawhney	75.52	79.58
	Tapan Jain	24.07	25.06
	Directors' sitting fee		
	Gauri Shankar	2.65	1.60
	Ashok Kumar Gupta	2.65	2.00

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in Lakhs)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	Krishan Kumar Jalan	1.60	1.10
	Subhash Chandra Kalia	1.60	0.90
	Deepika Mittal	2.50	1.90
	Total	3,938.62	3,828.45
(ii)	Relatives of Key managerial personnel (KMP)		
	Bijali Rao	16.20	16.20
	Harshvardhan Jain	58.38	51.09
	Sakshi Jain	11.71	23.42
	Anuj Jain	14.60	29.19
	Vaibhav Jain	14.60	29.19
	Talluri Bharatha	10.21	11.81
	Anirudh Jain	10.28	-
	Apoorva Rao	15.77	4.68
	Total	151.75	165.58

C Balances Outstanding at year end

(₹ in Lakhs)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
1	Balances outstanding		
	Associate Company		
	Ghaziabad Aligarh Expressway Private Limited (net of credit impaired)	-	5,508.05
	Security Deposit		
	Relatives of Key managerial personnel (KMP)		
	Meena Jain	25.00	25.00
	Madhavi Jain	25.00	25.00
	Renu Jain	25.00	25.00
	Ashita Jain	25.00	25.00
	Anuj Jain	7.00	7.00
	Enterprises over which key managerial person are able to exercise significant influence		
	Subhash International Private Limited	724.23	724.23
	Gional Infratech LLP	628.80	628.80
	Ideal Buildtech Private Limited	-	50.00
	AHVS Infra LLP	-	285.59
	Total	1,460.03	7,303.67
2	Loan outstanding (In Lieu of Equity)		
	Associate Company		
	Ghaziabad Aligarh Expressway Private Limited	-	21,802.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

S. No.	Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
	Enterprises over which key managerial person are able to exercise significant influence		
	NCJ Infrastructure Private Limited	-	3,000.00
	Shekhar Resorts Limited	-	3,000.00
	Total	-	27,802.00
3	Amount Payable		
	Enterprises over which key managerial person are able to exercise significant influence		
	Subhash international Private Limited	-	19.33
	BF Infrastructure Limited	-	1,406.61
	Total	-	1,425.94
4	Corporate Guarantee Given on behalf of Associate Company		
	Ghaziabad Aligarh Expressway Private Limited	-	3,455.07
	Total	-	3,455.07

(D) Terms and Conditions

The transactions with the related parties are made on terms equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances are unsecured and will be settled in cash.

48 THE GROUP COMPRISES FOLLOWING ENTITIES:

(A) Subsidiaries/Step-down subsidiaries

The group's subsidiaries/step down subsidiaries at March 31, 2023 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

(₹ in Lakhs)

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
		%	%	%	%	
Subsidiary Companies -						
Ferrovia Transrail Solutions Private Limited	India	0	51	0	49	Infrastructure development
PNC Infra Holdings Limited	India	100	100	-	-	Infrastructure development
PNC Bareilly Nainital Highways Private Limited	India	100	100	-	-	BOT Project
Step-down Subsidiaries						
PNC Raebareli Highways Private Limited	India	100	100	-	-	Annuity Project

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in Lakhs)

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interests		Principal activities
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
		%	%	%	%	
PNC Kanpur Ayodhya Tollways Private Limited	India	100	100	-	-	OMT Project
PNC Kanpur Highways Limited	India	100	100	-	-	BOT Project
M. P. Highways Private Limited	India	100	100	-	-	BOT Project
PNC Delhi Industrialinfra Private Limited	India	100	100	-	-	Redevelopment & maintenance Project
PNC Rajasthan Highways Private Limited	India	100	100	-	-	HAM Project
PNC Chitradurga Highways Private Limited	India	100	100	-	-	HAM Project
PNC Bundelkhand Highways Private Limited	India	100	100	-	-	HAM Project
PNC Khajuraho Highways Private Limited	India	100	100	-	-	HAM Project
PNC Triveni Sangam Highways Private Limited	India	100	100	-	-	HAM Project
PNC Aligarh Highways Private Limited	India	100	100	-	-	HAM Project
PNC Challakere Highways Private Limited	India	100	100	-	-	HAM Project
PNC Bithur Kanpur Highways Private Limited	India	100	100	-	-	HAM Project
PNC Gomti Highways Private Limited	India	100	100	-	-	HAM Project
PNC Meerut Haridwar Highways Private Limited	India	100	100	-	-	HAM Project
Kanpur Lucknow Expressway Private Limited	India	100	100	-	-	HAM Project
Hardoi Highways Private Limited	India	100	100	-	-	HAM Project
Awadh Expressway Private Limited	India	100	100	-	-	HAM Project
Sonauli Gorakhpur Highways Private Limited	India	100	100	-	-	HAM Project
Akkalkot Highways Private Limited	India	100	100	-	-	HAM Project
Yamuna Highways Private Limited	India	100	100	-	-	HAM Project
Hathras Highways Private Limited	India	100	100	-	-	HAM Project
PNC Unnao Highways Private Limited	India	100	100	-	-	HAM Project

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(B) Non-controlling interests (NCI)

Set out below is financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

(₹ in Lakhs)

Summarized balance sheet	Ferrovia Transrail Solutions Private Limited	
	March 31, 2023	March 31, 2022
Current assets	-	1,216.96
Current liabilities	-	(1,411.01)
Net Current assets	-	(194.05)
Non-current assets	-	51.32
Non-current liabilities	-	(1.95)
Net Non-current assets	-	49.37
Net assets	-	(144.68)

(₹ in Lakhs)

Summarised statement of profit and loss	Ferrovia Transrail Solutions Private Limited	
	March 31, 2023	March 31, 2022
Revenue	-	192.27
Profit for the year	-	51.84
Other comprehensive income	-	0.23
Total comprehensive income	-	52.07
Profit allocated to NCI	-	25.51
Dividends paid to NCI	-	-

(₹ in Lakhs)

Summarised cash flows	Ferrovia Transrail Solutions Private Limited	
	March 31, 2023	March 31, 2022
Cash flows from operating activities	-	639.06
Cash flows from investing activities	-	-
Cash flows from financing activities	-	(611.80)
Net increase/(decrease) in cash and cash equivalents	-	27.26

C Interest in Associate*

Set out below are associates of the group as at March 31, 2023 which, are considered material to the group. The entity listed below have share capital of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

(₹ in Lakhs)

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group		Principal activities
		March 31, 2023	March 31, 2022	
		%	%	
Ghaziabad Aligarh Expressway Private Limited	India	0	35	Infrastructure development

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

Summarised balance sheet	Ghaziabad Aligarh Expressway Private Limited	
	March 31, 2023	March 31, 2022
Current assets	-	1,198.39
Current liabilities	-	(76,417.15)
Net Current assets	-	(75,218.76)
Non-current assets	-	1,29,453.67
Non-current liabilities	-	(55,334.74)
Net Non-current assets	-	74,118.93
Net assets	-	(1,099.83)

(₹ in Lakhs)

Summarised statement of profit and loss	Ghaziabad Aligarh Expressway Private Limited	
	March 31, 2023	March 31, 2022
Revenue	-	22,550.22
Profit for the year	-	(33,135.67)
Other comprehensive income	-	7.96
Total comprehensive income	-	(33,127.71)

* For details Refer Note 19

49 DETAIL OF EMPLOYEE BENEFIT EXPENSES

The disclosures required by Ind AS - 19 "Employee Benefits" are as under:

(a) Defined Contribution Plan

- The contribution to provident fund is charged to accounts on accrual basis. The contribution made by the Group during the year is ₹ 743.34 lakhs (previous year ₹ 695.88 lakhs)
- In respect of short term employee benefits, the Group has at present only the scheme of cumulative benefit of leave encashment payable at the time of retirement/ cessation and the same have been provided for on accrual basis as per actuarial valuation.

(b) Defined Benefit Plan

- Liability for retiring gratuity as on March 31, 2023 is ₹ 1,900.21 lakhs (Previous year ₹ 1,698.92 lakhs). The Liability for Gratuity is actuarially determined and provided for in the books.
- Details of the Group's post-retirement gratuity plans and leave encashment for its employees including whole-time directors are given below, which is certified by the actuary and relied upon by the auditors

(₹ in Lakhs)

Particulars	Gratuity			
	FY 2022-23		FY 2021-22	
	Funded	Unfunded	Funded	Unfunded
1. Change in Present Value of Obligation				
Present value of obligation at the beginning of the year	2,604.25	34.59	1,828.39	20.38
Acquisition cost				
Interest cost	168.67	2.25	118.62	1.32
Current service cost	552.37	18.92	418.39	10.68

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

Particulars	Gratuity			
	FY 2022-23		FY 2021-22	
	Funded	Unfunded	Funded	Unfunded
Benefits paid	(18.56)	-	(6.86)	-
Past service cost/(credit) - vested	-	24.66	-	-
Actuarial gain/(loss) on obligation	-	-	-	-
a) Effect of changes in demographic assumptions	-	-	-	-
b) Effect of changes in financial assumptions	(49.62)	(0.62)	-	-
c) Effect of experience adjustments	(6.46)	(6.18)	245.71	2.21
Present value of obligation at end of the year	3,250.64	73.62	2,604.25	34.59
Current Obligation	794.26	13.72	599.28	7.47
Non Current Obligation	2,456.38	59.90	2,004.97	27.12
2. Change in Fair Value of Plan Assets				
Fair value of plan assets at the beginning of the year	939.92	-	736.63	-
Actual return on plan assets				
Interest Income	68.41	-	54.49	-
Contributions	243.77	-	331.04	-
Benefits paid	(18.56)	-	(6.86)	-
Actuarial gain/(loss) on plan assets	191.01	-	(175.38)	-
Fair value of plan assets at the end of the year	1,424.55	-	939.92	-
3. Amount to be recognised in Balance Sheet				
Present value of obligation as at end of the year	3,250.64	73.62	2,604.25	34.59
Fair value of plan assets as at the end of the year	(1,424.55)	-	939.92	-
Funded Status	1,826.09	73.62	1,664.33	34.59
Net Asset/(liability) recognised in Balance Sheet	(1,826.09)	(73.62)	(1,664.33)	(34.59)
4. Expenses recognised in the statement of profit & loss.				
Current service cost	552.37	18.92	418.39	10.68
Net Interest cost	(18.56)	-	(6.86)	-
Interest Expense on DBO	168.67	2.25	118.62	1.32
Interest (income) on plan assets	68.41	-	54.49	-
Total Net Interest Cost	100.26	2.25	64.13	1.32
Net actuarial (gain)/loss recognised in profit/loss	-	-	-	-
Expenses recognised in the statement of Profit & Loss	652.63	21.17	482.52	12.00
5. Recognised in other comprehensive income for the year				
a) Effect of changes in demographic assumptions	-	-	-	-
b) Effect of changes in financial assumptions	(49.62)	(0.62)	-	-
c) Effect of experience adjustments	(6.46)	(6.18)	245.71	2.21
d) (Return) on plan assets (excluding interest income)	191.01	-	(175.38)	-

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

(₹ in Lakhs)

Particulars	Gratuity			
	FY 2022-23		FY 2021-22	
	Funded	Unfunded	Funded	Unfunded
e) Changes in asset ceiling (excluding interest income)	-	-	-	-
f) Total remeasurements included in OCI	(197.47)	(6.18)	421.09	2.21
Actuarial gain / (loss) for the year on DBO	(6.46)	(6.18)	245.71	2.21
Returns above interest cost	191.01	-	(175.38)	-
Actuarial gain / (loss) for the year on Asset	-	-	-	-
Unrecognised actuarial gain/(loss) at the end of the year	-	-	-	-
6. Maturity Profile of Defined Benefit Obligation				
1. Within the next 12 months (next annual reporting period)	825.30	13.44	893.45	17.28
2. Between 2 and 5 years	1,992.48	40.86	1,627.49	17.62
3. Between 6 and 10 years	913.46	20.77	480.93	6.87
7. Quantitative sensitivity analysis for significant assumptions is as below				
Impact of the change in discount rate				
Present Value of Obligation at the end of the year				
a. Impact due to increase of 100 Basis Points	3,156.16	60.81	2,522.72	33.47
b. Impact due to decrease of 100 Basis Points	3,351.57	65.01	2,691.49	35.79
Impact of the change in salary increase				
Present Value of Obligation at the end of the year				
a. Impact due to increase of 100 Basis Points	3,363.76	64.74	2,678.06	35.62
b. Impact due to decrease of 100 Basis Points	3,142.98	61.03	2,533.83	33.60
Attrition Rate				
Present Value of Obligation at the end of the year				
a. Impact due to increase of 100 Basis Points	3,241.42	62.61	2,593.70	34.48
b. Impact due to decrease of 100 Basis Points	3,259.63	63.06	2,614.68	34.70

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

(ii) Sensitivity Analysis Method

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

Significant Actuarial assumptions	31.03.2023	31.03.2022
a) Economic Assumptions		
i. Discounting Rate - current year	7.00%	6.50%
Discounting Rate - Previous Year	6.50%	6.50%
ii. Salary escalation	5%	5%
iii. Attrition rate	25%	25%
b) Demographic Assumption		
i) Retirement Age (Years)	60	60
ii) Mortality rates inclusive of provision for disability	IALM (2012 - 14) Ultimate	IALM (2012 - 14) Ultimate
Disability	Nil	Nil

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

Mortality Rates for specimen ages

(₹ in Lakhs)

Age	Mortality Rate	Age	Mortality Rate
20	0.000924	50	0.004436
25	0.000931	55	0.007513
30	0.000977	58	0.009651
35	0.001202	60	0.011162
40	0.001680	65	0.015932
45	0.002579	70	0.024058

(c) Defined Term Employee Benefits Leave Obligation

(₹ in Lakhs)

Particulars	Leave Obligation	
	FY 2022-23	FY 2021-22
Present Value of unfunded obligation (₹ In lakhs)	629.91	640.14
Expenses recognised in Statement of Profit and Loss (₹ In lakhs)	208.21	167.48
Discount rate (p.a)	7.00%	6.50%
Salary escalation rate (p.a)	5%	5%

50 OPERATING SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM), who regularly monitors and reviews the operating result for following operating segments of the Company:

- i "Construction & Contract related activity", includes engineering, procurement and construction activity of the infra projects;
- ii "Water EPC", includes supply of water under water agreement
- iii "Toll & Annuity", includes BOT projects/OMT/ Maintenance of narela industrial park
- iv The Group mainly operates within India, so there is no requirement of disclosing the secondary segment i.e. geographical segment.
- v The expenses and Income which are not directly allocated between the segment are shown as unallocated expenses or Income.
- vi Details of business segment information is given below:

(₹ in Lakhs)

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
Segment Revenue		
Road	5,82,512.86	6,02,858.82
Water	92,495.56	10,809.55
Toll Annuity	1,20,599.86	1,07,135.19
Total	7,95,608.28	7,20,803.56
Less: Inter-segment revenue	-	-
Net revenue from operations	7,95,608.28	7,20,803.56
Segment Results		
Road	62,642.32	60,020.55
Water	15,921.44	287.14
Toll Annuity	56,107.39	53,935.17
Total	1,34,671.15	1,14,242.86

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
Less: Other unallocable expenditure	(46,990.43)	(42,532.23)
Add: Unallocable other income	8,065.44	8,898.63
Profit before tax and non-controlling interests	95,746.16	80,609.26
Segment Assets		
Road	2,23,496.49	2,84,593.54
Water	94,499.99	19,942.12
Toll Annuity	9,45,215.81	7,59,951.92
Unallocable	-	-
	12,63,212.29	10,64,487.58
Segment Liabilities		
Road	1,18,436.67	1,29,103.07
Water	71,537.14	21,025.55
Toll Annuity	6,44,734.16	5,51,571.79
Unallocable	-	-
	8,34,707.97	7,01,700.41

Notes on segment information :-

Business segments

Based on the "management approach" as defined in Ind AS-108 - Operating Segments, the Management evaluates the Group's performance and allocates resources based on analysis of various performance indicators by business segments. Accordingly, information has been presented along with these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

51 FAIR VALUE MEASUREMENT

Financial instruments by category

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
Financial Assets						
Investments in equity instruments (For details Refer note 7)	-	55.54	-	-	55.54	-
Investments in mutual funds (For details Refer note 13)	-	31,095.50	-	-	42,317.85	-
Investments in associate (For details Refer note 7)	-	-	-	-	-	-
Trade receivables (For details Refer note 8 & 14)	7,92,232.60	-	-	5,85,012.80	-	-
Cash and bank balances (For details Refer note 15)	70,634.92	-	-	74,729.70	-	-
Loans (For details Refer note 16)	-	-	-	26,987.00	-	-
Other financial assets (For details Refer note 9 & 17)	14,702.69	-	-	16,041.68	-	-
Total Financial Assets	8,77,570.21	31,151.04	-	7,02,771.19	42,373.39	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
Financial Liabilities						
Borrowings (For details Refer note 22 & 28)	6,27,132.96	-	-	4,77,883.72	-	-
Lease liabilities (For details Refer note 23 & 29)	1,017.73	-	-	1,410.44	-	-
Trade payables (For details Refer note 24 & 30)	68,822.29	-	-	51,427.29	11,973.33	-
Other financial liabilities (For details Refer note 25 & 31)	63,257.40	-	-	56,941.05	-	-
Total Financial Liabilities	7,60,230.38	-	-	5,87,662.48	11,973.33	-

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (A) recognised and measured at fair value and (B) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the group has classified its financial instruments into three levels prescribed under the accounting standards.

The following table provides the fair value measurement hierarchy of Group's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Fair Value Measurement using			Fair Value Measurement using		
	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(A) Financial Assets and Liabilities measured at fair value through profit and loss or other comprehensive income						
- Investment in mutual funds (For details Refer note 13)	31,095.50	-	-	42,317.85	-	-
Total	31,095.50	-	-	42,317.85	-	-
Financial Assets and Liabilities measured at amortised cost for which fair values are disclosed						
(i) Financial Assets						
- Retentions & security deposits (For details Refer note 9)	-	-	5,352.35	-	-	6,179.20
Total	-	-	5,352.35	-	-	6,179.20

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Fair Value Measurement using			Fair Value Measurement using		
	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(ii) Financial Liabilities						
- Borrowings (For details Refer note 22 & 28)	-	-	-	-	-	-
- Retentions (For details Refer note 25)	-	-	37,669.70	-	-	33,129.52
- Other financial liabilities (For details Refer note 25)	-	47.06	-	-	47.06	-
Total	-	47.06	37,669.70	-	47.06	33,129.52

(ii) Valuation techniques used to determine Fair value

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Specific valuation technique used to value financial instrument includes:

> the use of quoted market prices or dealer quotes for similar financial instruments.

> the fair value of financial assets and liabilities at amortised cost is determined using discounted cash flow analysis.

The following method and assumptions are used to estimate fair values:

The Carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, short term deposits etc. are considered to be their fair value, due to their short term nature

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowing fair value is determined by using the discounted cash flow (DCF) method using discount rate that reflects the issuer's borrowings rate. Risk of non-performance for the Group is considered to be insignificant in valuation.

Financial assets and liabilities measured at fair value and the carrying amount is the the fair value.

52 FINANCIAL RISK MANAGEMENT OBJECTIVES & POLICIES

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group principal financial asset includes loan, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Group's activities are exposed to market risk, credit risk and liquidity risk.

I. Market risk

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 prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimise the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

- (i) The exposure of group borrowings to interest rate changes at the end of the year are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings	5,97,770.51	4,53,396.27
Fixed rate borrowings	29,362.45	24,487.45
Total borrowings*	6,27,132.96	4,77,883.72

* For details Refer note 22 & 28

- (ii) As at the end of year, the Group had the following variable rate borrowings.

(₹ in Lakhs)

Particulars	As at March 31, 2023			As at March 31, 2022		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Term Loan	7.14%	5,97,770.51	95.32%	7.14%	4,53,396.27	94.88%
Net exposure to cash flow interest rate risk		5,97,770.51			4,53,396.27	

- (iii) Sensitivity

Profit/loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

(₹ in Lakhs)

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
₹	+50	+50	(2,988.85)	(2,266.98)
₹	- 50	- 50	2,988.85	2,266.98

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group does not operate internationally and as the Group has not obtained any foreign currency loans but import certain machineries and have foreign currency trade payables outstanding and is therefore, exchange to foreign exchange risk.

The Group does not hedges its exposure of foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary liabilities at the end of the year are as follows:

(₹ in Lakhs)

Foreign currency exposure	As at March 31, 2023	As at March 31, 2022
Trade payables		
- Exposure of Euros (in ₹)	549.69	-
- Exposure in Dollars (In ₹)	2.05	-

Foreign currency sensitivity

5% increase or decrease in foreign exchange rates will have the following impact on profit before tax and other comprehensive income:

(₹ in Lakhs)

Particulars	FY 2022-23		FY 2021-22	
	5% increase	5% decrease	5% increase	5% decrease
Euros (in ₹)	(27.48)	27.48	-	-
Dollars (In ₹)	(0.10)	0.10	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(c) Price Risk

The Group exposure to equity securities price risk arises from the investments held by Group and classified in the balance sheet at fair value through profit and loss. The Group does not have any investments whose value will be based on the market observable input at the current year end and previous year which are held for trading. Therefore no sensitivity is provided.

II. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Group. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. The Group considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an on going basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

- (i) Actual or expected significant adverse changes in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation
- (iv) Significant increase in credit risk an other financial instruments of the same counterparty
- (v) significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

The Group major exposure is from trade receivables, which are unsecured and derived from external customer Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted securities and certificates of deposit which are funds deposited at a bank for a specified time period.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

(₹ in Lakhs)

Ageing	Carrying Value	0-180 days	More than 181 days and Less than 365 days	More than 365 days	Total
As at March 31, 2023					
Gross Carrying Amount (Refer note 14)	1,11,258.62	72,854.42	22,557.89	15,846.31	1,11,258.62
Allowance for Credit Loss (in ₹)	(1,381.07)	-	-	-	(1,381.07)
Carrying Amount (net of impairment)	1,09,877.54	72,854.42	22,557.89	15,846.31	1,09,877.54
As at March 31, 2022					
Gross Carrying Amount (Refer note 14)	70,993.61	54,971.09	2,254.48	13,768.04	70,993.61
Expected Credit Loss (in ₹)	(4,418.12)	-	-	-	(4,418.12)
Carrying Amount (net of impairment)	66,575.48	54,971.09	2,254.48	13,768.04	66,575.48

The Group uses a provisional matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default data over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed. In case of probability of non collection, default rate is 100%.

III. Liquidity Risk

Liquidity risk is defined as the risk that Group will not be able to settle or meet its obligation on time or at a reasonable price. The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group's management is responsible for liquidity, funding as well as settlement management. In addition, processes and

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)**

policies related to such risk are overseen by senior management. Management monitors the Group's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in Lakhs)

As at March 31, 2023	Carrying Amount	On Demand	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings (Refer note 22 & 28)	6,27,132.96	814.95	49,986.00	1,08,661.02	4,67,670.98	6,27,132.96
Trade payables (Refer note 30)	68,822.29	-	68,822.29	-	-	68,822.29
Other Liabilities (Refer note 23, 25, 29 & 31)	64,273.76	-	25,867.59	38,114.08	292.09	64,273.76
Total	7,60,229.00	814.95	1,44,675.88	1,46,775.10	4,67,963.07	7,60,229.01

(₹ in Lakhs)

As at March 31, 2022	Carrying Amount	On Demand	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings (For details Refer note 22 & 28)	4,77,883.72	1,406.61	42,817.83	1,02,190.55	3,31,468.72	4,77,883.72
Trade payables (For details Refer note 30)	51,427.29	-	51,427.29	-	-	51,427.29
Other Liabilities (For details Refer note 23, 25, 29 & 31)	58,350.23	-	24,125.31	33,856.90	368.02	58,350.23
Total	5,87,661.23	1,406.61	1,18,370.43	1,36,047.45	3,31,836.74	5,87,661.24

Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the year:

(₹ in Lakhs)

Foreign currency exposure	As at March 31, 2023	As at March 31, 2022
Cash credit	80,000.00	1,00,000.00
Bank guarantee	1,90,554.90	1,90,613.90
Total	2,70,554.90	2,90,613.90

53 CAPITAL MANAGEMENT

(a) Risk Management

The primary objective of the Group's Capital Management is to maximise the shareholder value and also maintain an optimal capital structure to reduce cost of capital. The principle source of funding of the group has been and is expected to continue to be, cash generated from its operation supplemented by funding from bank borrowing and the capital market. The group is not subject to any externally imposed capital requirements

The group regularly considers other financing opportunities to diversify its debt profile, reduce interest cost.

The group monitors capital on the basis of following gearing ratio, which is net debt divided by total capital.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ In lakhs except Ratio)

Particulars	As at March 31, 2023	As at March 31, 2022
Debt (For details Refer note 22 & 28)	6,27,132.96	4,77,883.72
Less: Cash & bank balances {Refer note 15(i) & 15(ii)}	(70,634.92)	(74,729.70)
Net debt	5,56,498.04	4,03,154.01
Total equity (For details Refer note 20 & 21)	4,28,504.33	3,62,809.26
Net debt to equity ratio (Gearing Ratio)	1.30	1.11

Notes-

- (i) Debt is defined as long-term and short-term borrowings including current maturities (excluding derivatives) as described in notes.
- (ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

(b) Loan Covenants

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the current year and previous years.

54 CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Group planned towards Corporate Social Responsibility (CSR) activities at least two per cent of the average net profits of the Company made during the three immediately preceding financial years. The areas for CSR activities are promoting education, healthcare, social welfare, art & culture, empowering women, COVID-19 relief.

(₹ In lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
(i) Amount required to be spent by the group during the year	1,625.98	1,302.81
(ii) Amount of expenditure incurred	1,670.13	1,307.28
(iii) Shortfall at the end of the year	-	-
(iv) Nature of CSR activities	Promoting education, healthcare, Social Welfare, art & culture, Empowering Women, COVID-19 relief	

55 LEASES

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Gross carrying value		
Opening Balance	2,217.33	920.09
Addition during the year	111.63	1,297.24
Disposal / Adjustments	280.49	-
Total (A)	2,048.47	2,217.33

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Accumulated depreciation		
Opening Balance	833.84	415.03
Addition during the year	382.01	418.81
Disposal / Adjustments	116.09	-
Total (B)	1,099.76	833.84
Net Block (A-B)	948.71	1,383.49

Lease liabilities

(₹ in Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Opening Balance	1,410.43	368.68
Addition during the year	111.63	1,297.24
Interest during the period	145.29	159.46
Disposal / Adjustments	(171.22)	(17.90)
Payment made	(478.39)	(397.06)
Total	1,017.74	1,410.43

Maturity Analysis of Lease Liability has been disclosed as follows

(₹ in Lakhs)

Period	Year Ended March 31, 2023	Year Ended March 31, 2022
0 - 1 Year	328.34	362.10
1 - 5 Years	619.88	859.38
More than 5 Years	69.51	188.95

56 Parent Company and S P Singla Constructions Private Limited has formed a Joint Venture (JV) namely "PNC-SPSCPL JV" (Jointly controlled operation) specifying their ratios. Two projects were awarded to JV by National Highways Authority of India (NHAI).

The JV has further awarded the contract to Joint Venturers in their respective ratios as specified in the contract with NHAI.

The billing to NHAI is being done by JV after consolidating bills submitted by the Joint Venturers.

None of the Joint Venturers has employed any capital to this JV.

57 Parent company and SPML Infra Limited has formed a Joint Venture (JV) namely "PNC-SPSCPL JV" (Jointly controlled operation) specifying their division of execution. Various rural water supply projects were awarded to JV by Executive Director, State Water and Sanitation Mission(SWSM).

The JV has further awarded the contract to Joint Venturers in their division of execution as specified in the contract with Executive Director, State Water and Sanitation Mission(SWSM).

The billing to Executive Director, State Water and Sanitation Mission(SWSM) is being done by JV after consolidating of bills submitted by the Joint Venturers.

None of the Joint Venturers has employed any capital to this JV.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023 (Contd.)

58 OTHER STATUTORY INFORMATION:

- (i) The Group do not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.
- (ii) The Group do not have any transactions with companies struck off.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with MCA beyond the statutory period.
- (iv) The Company have not traded or invested in crypto currency or virtual currency during the financial year
- (v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- 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 to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that it shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (vii) The Group has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (viii) The Group has not been declared wilful defaulter by any banks, any other financial institution or other lender at any time during the financial year.
- (ix) All immovable properties are held in the name of the Group.

59 EVENTS OCCURRING AFTER THE BALANCE SHEET DATE :

The Parent Company recommended a dividend @ 25 % i.e. ₹ 0.50 (Fifty Paise) per equity share of ₹ 2 each for the financial year 2022-23 subject to approval of members in the ensuing Annual General Meeting.

60 Exceptional item during the year includes writing off advances is Nil.

61 Figures pertaining to Subsidiary Companies have been reclassified wherever necessary to bring them in line with the Parent Company's Financial Statements.

62 Previous year figures have been reclassified / regrouped, wherever necessary.

As per our report of even date attached
For **NSBP & Co.**
Chartered Accountants
Firm Registration No. 001075N

**For and on behalf of the Board of Directors of
PNC Infratech Limited**

Sd/-
Subodh Kumar Modi
Partner
Membership No: 093684
Place: Agra
Date: May 26, 2023

Sd/-
Pradeep Kumar Jain
Chairman and Managing Director
DIN: 00086653
Place: Agra
Date: May 26, 2023

Sd/-
Chakresh Kumar Jain
Managing Director
DIN: 00086768
Place: Agra
Date: May 26, 2023

Sd/-
Tapan Jain
Company Secretary
Place: Agra
Date: May 26, 2023

Sd/-
Bhupinder Kumar Sawhney
Chief Financial Officer
Place: Agra
Date: May 26, 2023

FORM AOC-1

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part 'A' - Subsidiaries

Names of Companies	MP Highways Private Limited	PNC Infra Holdings Limited	PNC Kanpur Highways Limited	PNC Delhi Industrial Infra Private Limited	PNC Bareilly Nainital Highways Private Limited	PNC Raebareilly Highways Private Limited	PNC Kanpur Ayodhya Tollways Private Limited	PNC Rajasthan Highways Private Limited	PNC Chitradurga Highways Private Limited	PNC Bundelkhand Highways Private Limited	PNC Khatwaro Highways Private Limited	PNC Chalkikere (Karnataka) Highways Private Limited	PNC Umiao Highways Private Limited	PNC Gomti Highways Private Limited	PNC Bithur Kanpur Highways Private Limited	PNC Meerut Highways Private Limited	PNC Kanpur Lucknow Expressway Private Limited	Harbri Highways Private Limited	Avrath Expressway Private Limited	Sonauli Gorakhpur Highways Private Limited	Akkalot Highways Private Limited	Yamuna Highways Private Limited	Hathras Highways Private Limited	S.No.	
																								1	2
Reporting Year	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	25	
Date since when subsidiary was acquired	December 08, 2010	January 12, 2011	January 10, 2011	July 07, 2011	July 07, 2011	August 28, 2012	February 19, 2013	August 22, 2016	April 20, 2017	April 21, 2017	April 20, 2017	July 06, 2018	March 20, 2020	March 20, 2020	June 15, 2020	July 12, 2020	April 11, 2022	April 11, 2022	April 13, 2022	April 21, 2022	April 22, 2022	April 25, 2022	April 25, 2022	2022	
Reporting Currency	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
Exchange Rate on last day of Reporting year (IN ₹)																									
Share Capital	7830.00	20587.08	6750.00	3500.00	7460.00	13960.00	5.00	2643.00	4322.00	6528.00	3930.00	3935.00	4229.00	5377.00	8259.00	4778.00	100.00	25.00	100.00	25.00	25.00	25.00	25.00	25.00	25.00
Reserves & Surplus	(2743.29)	78214.64	1508.64	11721.44	(12498.43)	16577.61	20756.22	(762.83)	1622.21	(89.21)	2735.29	607.44	(361.94)	86.29	23469	(652.54)	(82.02)	(46.24)	(81.68)	(43.96)	(44.70)	(44.91)	(44.91)	(46.17)	(46.17)
Total Assets	15070.16	98804.31	145793.99	16886.08	5394.51	87683.51	21810.41	3604.2	66618.59	74655.48	68242.38	46124.73	51608.32	62479.82	90049.10	56071.55	9947.87	6069.32	11901.04	2367.47	3104.61	386.31	6403.67	6403.67	
Total Liabilities	9983.45	2.59	6321.35	1664.64	59032.94	57145.9	10491.9	34524.03	60694.38	88216.69	61577.09	41582.29	47741.26	57016.53	81555.41	51952.09	9929.89	6048.08	11882.72	2386.43	3124.31	406.22	6423.84	6423.84	
Investments	2831.42	98766.98	14497.3	816.25	1241.86	5805.80	491.8	2819.07	1901.16	1298.43	1280.06	973.40	0.00	1334.60	1622.29	1367.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Turnover	4492.03	0.00	99821.5	2400.83	5777.25	8131.97	23201.99	34345.7	6294.72	8717.23	7290.88	2894.88	51504.33	66383.65	62051.93	54645.88	7995.82	5112.49	9641.04	1973.52	2133.07	0.00	5394.93	5394.93	
Profit/(Loss) before tax	(202.06)	(76.29)	(688.97)	937.44	(355.97)	2984.04	6278.78	(1088.17)	1748.45	1752.63	1419.39	315.88	(248.16)	167.09	539.92	(647.21)	(82.02)	(46.24)	(81.68)	(43.96)	(44.70)	(44.91)	(44.91)	(46.17)	(46.17)
Provision for Taxation	120.02	0	(1304.18)	83.07	(861.47)	(575.91)	(1889.42)	(388.90)	(1065.81)	(910.40)	(793.04)	14.92	0.00	(14.08)	(14.27)	(10.54)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit/(Loss) after Tax	(82.05)	(76.29)	(1983.15)	1020.51	(1217.44)	2408.13	4279.36	(1477.07)	661.64	842.23	620.34	330.80	(248.16)	153.00	524.65	(567.85)	(82.02)	(46.24)	(81.68)	(43.96)	(44.70)	(44.91)	(44.91)	(46.17)	(46.17)
Proposed Dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
% of Shareholding (Effective*)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

* Holds directly and indirectly through its wholly owned subsidiary PNC Infra Holdings Limited

- Names of Subsidiaries which are yet to commence operations- Nil
- Names of subsidiaries which have been liquidated or sold during the year- ONE*

*Note: During the period under review, The Company has executed a Share Purchase Agreement dated February 28, 2023 and other related transaction documents, with inter alia BF Infrastructure Limited (BFI), for sale of the entirety of its shareholding in Ferrovio Transrail Solutions Private Limited (FTSPL) and the said sale has been completed on March 02, 2023, hence FTSPL ceased to be its subsidiary Company.

For and on behalf of the Board of Directors of
PNC Infra Limited

Sd/-

Pradeep Kumar Jain

Chairman and Managing Director
DIN: 00086653

Sd/-

Chakresh Kumar Jain

Managing Director
DIN: 00086768

Sd/-

Tapan Jain

Company Secretary
M. No. A22603

Sd/-

Bhupinder Kumar Sawhney

Chief Financial Officer

Place: Agra
Date: May 26, 2023

CORPORATE INFORMATION

Corporate Identification No : L45201DL1999PLC195937 | LEI No.: 3358008RNTVF1WKN6B22

BOARD OF DIRECTORS

Chairman and Managing Director

Pradeep Kumar Jain

Managing Director(s)

Chakresh Kumar Jain

Yogesh Kumar Jain

Whole-Time Director(s)

Anil Kumar Rao

Talluri Raghupati Rao

Independent Director(s)

Gauri Shankar

Krishan Kumar Jalan

Subhash Chander Kalia

Deepika Mittal

Ashok Kumar Gupta

Chief Financial Officer

Bhupinder Kumar Sawhney

Company Secretary & Compliance Officer

Tapan Jain

Auditors

M/s. NSBP & Company

Chartered Accountants

325, Third Floor, U.S. Complex, Opp. Apollo Hospital, 120,
Mathura Road, Sarita Vihar, New Delhi-110076

Bankers

Bank of Baroda

Central Bank of India

Punjab National Bank

Union Bank of India

ICICI Bank Limited

Axis Bank Limited

Indian Bank

State Bank of India

IndusInd Bank

Registrar and Transfer Agent

Link Intime India Pvt. Ltd

Noble Heights 1st Floor Plot No. NH-2,

C-1 Block, LSC Near Savitri Market,

Janakpuri, New Delhi-110058

Corporate/Head Office

PNC House,

3/22-D, Civil Lines, NH-2,

Agra-Delhi Bypass Road, Agra-282002 (U.P.)

Registered Office

NBCC Plaza, Tower-II, 4th Floor, Pushp Vihar,

Sector-5 (Saket), New Delhi-110017, India,

Website: www.pncinfratech.com



PNC INFRA TECH LIMITED

www.pncinfratech.com

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