

VDIN: 22420820 AJSHCW4422

**INDEPENDENT AUDITOR'S REPORT****To the Members of PNC Infra Holdings Limited****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone Financial Statements of **PNC Infra Holdings Limited** (the "company"), which comprises of Balance Sheet as at 31<sup>st</sup> March 2022, and the statement of Profit and Loss including statement of Other Comprehensive Income, statement of Cash flows and Statement of Changes in Equity for the year then ended, and notes to the Standalone Financial Statements, and notes to standalone financial statement, summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "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 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2022, and its standalone financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of 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 together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information Other than the standalone Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report including



annexures to Director's 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 separate 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. Based on the records, information and explanation provided, we have nothing to report in this regard.

### **Management's Responsibility for the standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section of 134(5) of the Companies Act' 2013 with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

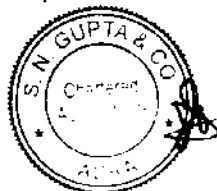


**Auditor's Responsibilities for Audit of Standalone Financial Statements**

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

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 companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

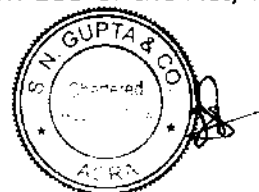
From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or 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.

### **Report on Other Legal and Regulatory Requirements**

As required by the companies (Auditor's Report) Order, 2020 ("the Order") issued by the central Government of India in terms of the sub section (11) of the section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraph 3 and 4 of the order.

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, and the statement of Profit and Loss including statement of Other Comprehensive Income, and statement of cash flows and Statement of changes in Equity for the year then ended, and notes to the Standalone Financial Statements summary of significant accounting policies and other explanatory information dealt with in this report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.



- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure B**.
- g) With respect to the other matters to be included in Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has no pending litigations giving effects on its financial position as on 31<sup>st</sup> March 2022.
  - the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

**For S.N. Gupta & Co.**

Chartered Accountants

Firm Registration No. 00575

*Gaurav Goyal***CA Gaurav Goyal**

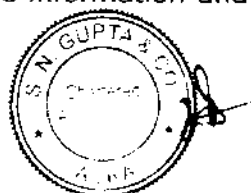
Partner

**M.No.420820****Place: Agra****Date: 27.05.2022**

**"Annexure A" to the Independent Auditors' Report**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Standalone Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2022:

1. There is no Property, Plant & Equipment in the name of the company thus clause 3 (i) (a) to (i) (e) are not applicable.
2. There is no inventory in the company thus clause 3 (ii) (a) and (ii) (b) are not applicable.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, CSS and any other statutory dues with the appropriate authorities and there are no arrears of outstanding statutory dues on the last day of the financial year concerned (31.03.2022) for a period of more than six months from the date they became payable.  
  
(a) According to the information and explanation given to us, there are no tax dues outstanding on account of dispute.
8. No transactions have been recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. In our opinion and according to the information and explanations given to us,



the Company has not availed any loans or other borrowings from banks or financial institutions; hence this clause 3 (ix) (a) to (ix) (f) is not applicable on it.

10. (a) Based on the audit procedures performed and information and explanations given to us by the management, the company has not raised moneys raised by way of initial public offer or further public offer (including debt instruments) term loans Hence the provisions of clause 3(x) (a) of the Order are not applicable to the company

(b) Based on the audit procedure performed and information and explanations given to us by the management, the company has raised funds through private placement of non-convertible debentures during the year. Funds have been utilized for the purpose for which it has been raised i.e., closure of term loans. Also, compliance of section 42 and section 62 of the Companies Act 2013 have been complied.

11. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year. Hence the provisions of clause 3(xi) of the Order are not applicable to the company.

12. The Company is not a Nidhi Company. Hence this clause 3 (xii) of the order are not applicable on it to the company.

13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards. The same is shown in "Schedule 28 Related Party Disclosures as per Ind AS 34".

14. (a) The company has an internal audit system commensurate with the size and nature of its Business.

(b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him.

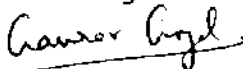


16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.
17. According to the information and explanations given to us and based on our examination of the records of the Company, The Company has not incurred cash losses of in the Current Financial Year and also in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, the auditor is of the opinion that no material uncertainty exists as on the date of the audit report that company is 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.
20. According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to comply with the provisions of section 135(5). Hence clause 3 (xx) is not applicable of the Order are not applicable to the company.
21. According to the information and explanations given to us and based on our examination of the records of the Company, there have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

**For S.N. Gupta & Co.**

Chartered Accountants

Firm Registration No.0145704

**CA Gaurav Goyal**

Partner

M.No.420820

**Place: Agra****Date: 27.05.2022**



**"ANNEXURE B"** to the Independent Auditor's Report of even date on the Standalone Financial Statements of **PNC Infra Holdings Limited**.

**Report on the Internal Financial Controls under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of PNC Infra Holdings Limited as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included



obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 over Financial Reporting**

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

### **Opinion**

In our opinion based on records, the Company has in all respect, an adequate internal financial controls system over financial reporting and such internal financial controls



**S. N. GUPTA & CO.**

**CHARTERED ACCOUNTANTS**

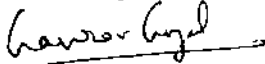
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over financial reporting were generally operating effectively as at March 31, 2022, based on "the internal control over financial reporting system & procedures", criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For S.N. Gupta & Co.**

Chartered Accountants

Firm Registration No.010576



**CA Gaurav Goyal**

Partner

M.No.420820



Place: Agra

Date: 27.05.2022

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
(1) <b>Non Current assets</b>			
(a) Financial Assets			
(i) Investments	3	82,421.99	70,938.60
(b) Deferred Tax Asset	4	-	0.47
<b>Sub total (Non current assets)</b>		<b>82,421.99</b>	<b>70,939.07</b>
(2) <b>Current assets</b>			
(a) Non current Assets held for sale	5	99.42	-
(b) Financial assets			
(i) Cash and cash equivalents	6	3.66	9.95
(c) Other Current Assets	7	2.21	4.38
<b>Sub total (Current assets)</b>		<b>105.29</b>	<b>14.33</b>
<b>Total Assets</b>		<b>82,527.28</b>	<b>70,953.40</b>
<b>EQUITY AND LIABILITIES</b>			
(1) <b>EQUITY</b>			
(a) Equity Share capital	8	17,316.48	14,236.28
(b) Other Equity	9	65,208.53	56,715.03
<b>Sub total (Equity)</b>		<b>82,525.01</b>	<b>70,951.31</b>
(2) <b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	10	0.62	0.49
(ii) Other financial liabilities	11	1.63	1.37
(b) Other Current liabilities	12	0.02	0.23
<b>Sub total (Current liabilities)</b>		<b>2.27</b>	<b>2.09</b>
<b>Total Equity &amp; Liabilities</b>		<b>82,527.28</b>	<b>70,953.40</b>

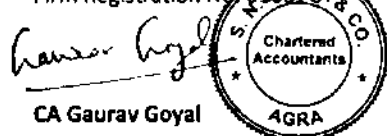
The accompanying notes form an integral part of the financial statements

As per our report of even date attached.

For S.N. Gupta & CO.

Chartered Accountants

Firm Registration No. 010877CA & CO.



CA Gaurav Goyal

Partner

M. No. 420820

Place: Agra

Date: 27.05.2022

On behalf of the Board

*[Signature]*

Pradeep Kumar Jain

Managing Director

DIN: 00086653

*[Signature]*

Chakresh Kumar Jain

Director

DIN: 00086768

*[Signature]*  
 Neha Jain  
 Company Secretary

*[Signature]*  
 Manish Jain  
 Chief Financial Officer

**PNC Infra Holdings Limited**

CIN U45400DL2011PLC212473

Statement of Profit and Loss for the year ended on March 31, 2022

(₹ in Lakhs)

	Particulars	Notes	Year Ended March 31, 2022	Year Ended March 31, 2021
I	Revenue from Operations		-	-
II	Other income		-	-
III	<b>Total Income (I+II)</b>		-	-
IV	<b>Expenses :</b>			
	Employees benefit	13	19.87	15.13
	Other Expenses	14	3,806.95	2.06
	<b>Total Expenses (IV)</b>		<b>3,826.82</b>	<b>17.19</b>
V	<b>Profit/(Loss) before tax (III-IV)</b>		<b>(3,826.82)</b>	<b>(17.19)</b>
VI	<b>Tax expense :</b>			
	Current tax		-	-
	Deferred tax	15	0.47	3.92
VII	<b>Profit/ (Loss) for the period (V - VI)</b>		<b>(3,827.29)</b>	<b>(21.11)</b>
VIII	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to above items		-	-
IX	<b>Total Comprehensive Income for the period (VII + VIII)</b>		<b>(3,827.29)</b>	<b>(21.11)</b>
	<b>Earning per equity share</b>			
	<b>Basic &amp; Diluted</b>	16	<b>(2.59)</b>	<b>(0.02)</b>

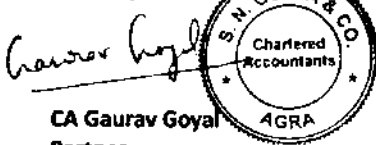
The accompanying notes form an integral part of the financial statements

As per our report of even date attached.

For S.N. Gupta &amp; CO.

Chartered Accountants

Firm Registration No. 016976



CA Gaurav Goyal

Partner

M. No. 420820

Place: Agra

Date: 27.05.2022

On behalf of the Board

Pradeep Kumar Jain

Managing Director

DIN: 00086653

Chakresh Kumar Jain

Director

DIN: 00086768

Neha Jain

Neha Jain

Company Secretary

Mansi Jain

Mansi Jain

Chief Financial Officer

**PNC Infra Holdings Limited**

CIN U45400DL2011PLC212473

Cash Flow Statement for the year ended March 31, 2022

(₹ In Lakhs)

	Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>A.</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit /(Loss) before Tax	(3,826.82)	(17.19)
	Adjustment for:		
	Depreciation	-	-
	Operating Profit / (Loss) before working capital changes	(3,826.82)	(17.19)
	Adjustment for Changes in Working Capital		
	Increase/(Decrease) in Trade Payables	0.13	0.49
	Increase/(Decrease) in Other Financial Liabilities	0.26	(0.75)
	Increase/(Decrease) in other current Liabilities	(0.21)	0.23
	Increase/(Decrease) in Current Liabilities	-	-
	(Increase)/Decrease In Trade Receivables	-	-
	(Increase)/Decrease in Current assets	2.17	(4.38)
	Cash Generated from/ (used) from operating activities	(3,824.47)	(21.60)
	Direct Taxes Paid		
	Cash Generated from/ (used) operating activities before extraordinary Items	(3,824.47)	(21.60)
	Preliminary Expenses		
	Cash Generated from/ (used) from operating activities (A)	(3,824.47)	(21.60)
<b>B.</b>	<b>Cash Flow from Investing Activities</b>		
	Purchase of Investments	(11,483.39)	(7,334.00)
	Sale / Impairment of Investment	(99.42)	-
	Net Cash Generated from/ used from Investing Activities (B)	(11,582.81)	(7,334.00)
<b>C.</b>	<b>Cash Flow from Financing Activities</b>		
	Equity Shares Issued	3080.20	1466.80
	Proceeds from Security Premium	12320.80	5867.20
	Net Cash Generated from/ used from Financing Activities (C)	15,401.00	7,334.00
	Net Cash Increase in cash & Cash equivalents (A+B+C)	(6.28)	(21.60)
	Cash & Cash equivalents at the beginning	9.95	31.55
	Cash & Cash equivalents at the end	3.66	9.95

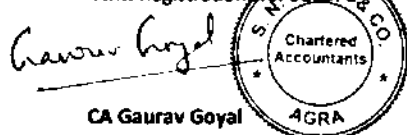
The accompanying notes form an integral part of the financial statements

As per our report of even date attached.

For S.N. Gupta & Co.

Chartered Accountants

Firm Registration No. 011572



CA Gaurav Goyal

Partner

M. No. 420820

Place: Agra

Date: 27.05.2022

On behalf of the Board

*Pradeep Kumar Jain*

Pradeep Kumar Jain

Managing Director

DIN: 00086553

*Chakresh Kumar Jain*

Chakresh Kumar Jain

Director

DIN: 00086768

*Neha Jain*

Neha Jain

Company Secretary

*Mahesh Jain*

Mahesh Jain

Chief Financial Officer

**PNC Infra Holdings Limited**

CIN U45400DL2011PLC212473

Statement of changes in equity for the year ended as on March 31, 2022

**A. Equity Share Capital**

(₹ in Lakhs)

As at April 1, 2021	Changes during the year	As at March 31, 2022
14,236.28	3,080.20	17,316.48

**B. Other Equity**

(₹ in Lakhs)

Particulars	Share Application Money Pending For Allotment	Reserves & Surplus		
		Retained earnings	Security premium reserve	Total
Balance as at April 1, 2021	-	(210.09)	56,925.12	56,715.03
Share Application Money Recd	-	-	-	-
Profit for the year	-	(3,827.29)	12,320.80	8,493.51
Other Comprehensive Income	-	-	-	-
Total comprehensive income for the year	-	(3,827.29)	12,320.80	8,493.51
Balance as at March 31, 2022	-	(4,037.37)	69,245.92	65,208.54

The accompanying notes form an integral part of the financial statements

As per our report of even date attached.

For S.N. Gupta &amp; Co.

Chartered Accountants

Firm Registration No. 62057C

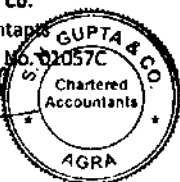
CA Gaurav Goyal

Partner

M. No. 420820

Place: Agra

Date: 27.05.2022



On behalf of the Board

Pradeep Kumar Jain

Managing Director

DIN: 00086653

Chakresh Kumar Jain

Director

DIN: 00086768

Neha Jain  
Company SecretaryManish Jain  
Chief Financial Officer

**1 Significant Accounting Policies**

**1.1 Basis of Preparation**

The financial statements comply in all material aspects with Indian Accounting Standards notified under Sec. 133 of the Companies Act 2013, (the Act) [Companies (Indian accounting standard) Rules, 2015] as amended and other relevant provision of the Act.

The financial statement upto year ended 31st March 2016 were prepared in accordance with the accounting standard notified under companies (Accounting Standard) Rules 2006 (as amended) and other relevant provision of the Act.

**1.2 Historical Cost Convention**

These Financial statements have been prepared on historical cost basis except for certain financial assets & Liabilities measured at fair value.

**2 Significant Accounting Policies adopted by the Company In preparation of Financial Statements**

**2.1 Financial Instruments**

The company recognizes the financial assets and financial liabilities when the recognition criteria of financial instrument as specified under **IND AS 109** is met.

**Financials Asset**

**Initial Recognition and Measurement**

All financial assets are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset except in the case of financial assets not recorded at fair value through profit or loss. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Subsequent Measurement**

For purposes of subsequent measurement, financial assets are classified in three categories:

**Financial Asset at Amortised Cost**

A 'Financial Asset' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss.

**Financial Asset at Fair Value through Other Comprehensive Income ("FVTOCI")**

A 'Financial Asset' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI. Financial Asset included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income ("OCI")

**Financial Asset at Fair Value through Profit & Loss ("FVTPL")**

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

In addition, the group may elect to designate a Financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

**Derogisation of Financial asset**

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised when the rights to receive cash flow from the asset have expired.

**Impairment of financial assets**

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increases in credit risk. Note-21 details how the group determines whether there has been a significant increase in credit Risk.

For trade receivables only, the company applies the simplified approach permitted by **IND AS 109** Financial instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables.





## **Financial Liabilities**

### **Initial Recognition and Measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### **Subsequent Measurement**

#### **Financial liabilities at Fair Value through Profit or Loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the profit or loss.

## **2.2 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 liability and assets are not recognised but are disclosed in the notes to the financial statements in accordance with IND AS 37

## **2.3 Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow and the revenue can be reliably measured, irrespective of fact whether payment is received or not. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

### **Revenue related to SCA :**

Revenue related to construction under a service concession arrangement is recognised based on the stage of completion of the work performed

## **2.4 Interest Income**

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.

## **2.5 Current Income Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

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.



## 2.6 Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## 2.7 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. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## 2.8 Segment Reporting

The company's operation pre dominantly consist of infrastructure deveolpment ,construction & operation , hence it operates in one business segment.

## 2.9 Cash Flow Statement

Cash flows are reported using the indirect method , whereby profit before tax is adjusted of the effects of transactions of a non-cash nature, any deferral or accruals of past or future operating cash receipt or payments and item of income or expenses assosiated with investing or financing cash flows. The cash flows from operating , investing and financing activities of the company are segregated. Cash and cash equivalent in the Balance sheet comprise cash and cash at bank .

## 2.10 Cash & Cash Equivalent

Cash & cash equivalents comprise of cash at bank and cash-in-hand. The Company consider all highly liquid investments which 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.

## 2.11 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.

### **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 recognized as an expense in the period in which services are rendered.

**Gratuity & Leave Encashment(Un-Funded):** 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 recognized in the Balance Sheet represent the present value of defined benefit obligation as adjusted for recognized past service cost. Actuarial gains and losses are recognized in full in the other comprehensive income for the period in which they occur.



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## 3. Non current Financial Investments

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares/units	Amount (in Lakhs)	No. of Shares/units	Amount (in Lakhs)
<b>Investments (at Cost)</b>				
<b>Investments in equity instruments</b>				
<b>a) Subsidiary Companies fully paid up (Unquoted)</b>				
PNC Kanpur Highways Limited	67,500,000	6,750.00	67,500,000	6,750.00
MP Highways Private Limited	78,300,000	7,830.00	78,300,000	7,830.00
PNC Kanpur Ayodhya Tollways Private Limited	49,990	5.00	49,990	5.00
PNC Raebareilly Highways Private Limited	139,599,990	13,960.00	139,599,990	13,960.00
PNC Rajasthan Highways Private Limited	26,429,990	2,643.00	26,429,990	2,643.00
PNC Bareilly Nainital Highways Private Limited	69,600,000	6,960.00	69,600,000	6,960.00
PNC Delhi Industrial Infra Private Limited	35,000,000	3,500.00	35,000,000	3,500.00
PNC Bundelkhand Highways Private Limited	55,079,990	5,508.00	55,079,990	5,508.00
PNC Chitradurga Highways Private Limited	43,019,990	4,302.00	30,999,990	3,100.00
PNC Khajuraho Highways Private Limited	39,299,990	3,930.00	31,539,990	3,154.00
PNC Triveni Sangam Highways Private Limited	72,959,990	7,296.00	58,679,990	5,868.00
PNC Aligarh Highways Private Limited	66,809,990	6,681.00	53,549,990	5,355.00
PNC Challakere (Karnataka) Highways Private Limited	30,679,990	3,068.00	4,079,990	408.00
PNC Gomti Highways Private Limited	5,099,990	510.00	5,099,990	510.00
PNC Unnao Highways Private Limited	40,249,990	4,025.00	5,099,990	510.00
PNC Bithur Kanpur Highways Private Limited	49,439,990	4,944.00	5,099,990	510.00
PNC Meerut Haridwar Highways Private Limited	5,099,990	510.00	5,099,990	510.00
<b>b) Associates Companies fully paid up (Unquoted)</b>				
Ghaziabad Aligarh Expressway Private Limited	-	-	38,576,000	3,857.60
<b>Total</b>	<b>824,219,870.00</b>	<b>82,421.99</b>	<b>709,385,870</b>	<b>70,938.60</b>

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.

## Equity shares of Rs. 10/- each of:

Name of the Company	As at March 31, 2022	As at March 31, 2021
i) PNC Kanpur Highways Limited	34,425,000	34,425,000
ii) MP Highways Private Limited	39,933,000	39,933,000
iii) PNC Delhi Industrial Infra Private Limited	9,100,000	17,850,000
iv) Ghaziabad Aligarh Expressway Private Limited	19,873,760	19,873,760
v) PNC Raebareilly Highways Private Limited	71,196,000	71,196,000
vi) PNC Bareilly Nainital Highways Private Limited	35,498,000	35,498,000
vii) PNC Bundelkhand Highways Pvt. Limited	28,090,800	28,090,800
viii) PNC Khajuraho Highways Private Limited	11,790,000	9,462,000
ix) PNC Chitradurga Highways Private Limited	21,940,200	15,810,000
x) PNC Rajasthan Highways Private Limited	13,479,300	13,479,300
xi) PNC Triveni Sangam Highways Private Limited	37,209,600	29,928,800
xii) PNC Aligarh Highways Private Limited	34,073,100	21,822,900
xiii) PNC Challakere (Karnataka) Highways Private Limited	15,648,800	1,224,000
xiv) PNC Gomti Highways Private Limited	2,601,000	75,000
xv) PNC Unnao Highways Private Limited	12,075,000	75,000
xvi) PNC Bithur Kanpur Highways Private Limited	25,214,400	75,000
xvii) PNC Meerut Highways Private Limited	2,601,000	75,000



**PNC Infra Holdings Limited**

CIN U45400DL2011PLC212473

Notes to the Financial Statements for the Year Ended March 31, 2022

**4. Deferred Tax Assets**

The balance comprises temporary differences attributable to:

( ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets/(Liabilities)		
Pre operative Expense	-	0.47
Net deferred tax Assets/(Liabilities)	-	0.47

The Company has recognized deferred tax assets on carried forward tax losses. The company operations are expected to be profitable in future years. The losses are available for eight years for offsetting against future taxable income.

**Movement in Deferred tax (Liabilities)/Assets**

( ₹ in Lakhs)

Particulars	Pre Operative Expense	Total
At March 31, 2021	0.47	0.47
(Charged)/credited:-		
-to profit & loss	(0.47)	(0.47)
-to other Comprehensive Income	-	-
At March 31, 2022	-	(0.47)

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**PNC Infra Holdings Limited**

CIN U45400DL2011PLC212473

**Notes to the Financial Statements for the Year Ended March 31, 2022****5. Non Current Assets held for sale**

( ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investment in Associates</b>		
3,85,76,000 Equity shares (Previous Year 3,85,76,000) of Ghaziabad Aligarh Expressway Private Limited of Rs.10/- each (Face Value Rs.10/- each)	3,857.60	-
Less: Impairment Loss on Investment	3,758.18	-
<b>Total</b>	<b>99.42</b>	<b>-</b>

**6. Cash and Cash Equivalents**

( ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash in hand	0.60	0.60
Balances with Banks		
Current Account	3.06	9.35
<b>Total</b>	<b>3.66</b>	<b>9.95</b>

**7. Other Current Assets**

( ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to Vendors	0.41	0.18
Advance Against Salary	1.80	4.20
<b>Total</b>	<b>2.21</b>	<b>4.38</b>

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8. Share Capital

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Authorised 20,50,00,000 Equity Shares of ₹ 10/- each	20,500.00	15,500.00
Equity Shares - Issued, Subscribed & paid up 17,31,64,788 Equity Shares (Previous year 14,23,62,788) of ₹ 10/- each	17,316.48	14,236.28

Notes 8.1

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	(No of Share)	
	As at March 31, 2022	As at March 31, 2021
At the beginning of the year (Equity Shares of ₹ 10 each allotted as fully paid up)	142,362,788	127,694,788
Issued during the year (Equity Shares of ₹ 10 each allotted as fully paid up)	30,802,000	14,668,000
Outstanding at the end of the year (Equity Shares of ₹ 10 each allotted as fully paid up)	173,164,788	142,362,788

(b) Details of Shareholders holding more Than 5% in the company

Particulars	31st March 2022		31st March 2021	
	No. of Shares	% Holdings	No. of Shares	% Holdings
PNC Infretech Limited	173,164,788	100	142,362,788	100

(c) Shares held by the Promoter at the end of the year

Particulars	31st March 2022			31st March 2021		
	No. of Shares	% Holdings	% Change during the year	No. of Shares	% Holdings	% Change during the year
PNC Infretech Limited	173,164,788	100	-	142,362,788	100	-

Rights and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 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 Rights, Preferences and restrictions attaching to Equity Shares including Restrictions on Shares.

Company has not allotted any equity shares for pursuant to contract(s) without payment being received in cash in last five financial year.

Company has not allotted any equity bonus shares in last five financial year.

Company has not bought back any equity shares in last five financial year.

Securities available for converting into equity/ preference shares – Nil (Previous Year Nil)

Calls unpaid is Nil (Previous year Nil)

Forfeited shares is Nil (Previous year Nil)

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**PNC Infra Holdings Limited**

CIN U45400DL2011PLC212473

**Notes to the Financial Statements for the Year Ended March 31, 2022****9. Other Equity**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Share Application Pending For Allotment	-	-
Balance outstanding at the end of year	-	-
<b>Reserve and Surplus</b>		
<b>(i) Securities Premium Reserve</b>		
Balance outstanding at the beginning of the year	56,925.12	51,057.92
Add: Additions during the year	12,320.80	5,867.20
Less: Utilised during the year		
Balance outstanding at the end of year	69,245.92	56,925.12
<b>(ii) Retained Earnings</b>		
Balance outstanding at the beginning of the year	(210.09)	(188.99)
Profit for the year	(3,827.29)	(21.10)
Balance outstanding at the end of year	(4,037.38)	(210.09)
<b>Balance outstanding at the close of the year</b>	<b>65,208.53</b>	<b>56,715.03</b>

**Nature and purpose of the reserve****Securities Premium Reserve**

Securities premium reserves is used to record the premium received on issuance of Equity Shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

**Retained Earnings**

This comprise company's undistributed profit/loss after taxes.



# 10. Trade Payables

( ₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Due to MSME	-	-
Others	0.62	0.49
Disputed dues-MSME	-	-
Disputed dues-Others	-	-
<b>Total</b>	<b>0.62</b>	<b>0.49</b>
<b>Ageing of Trade Payables</b>	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Others		
Less than Six Months	0.13	-
6 Months-1 Year	0.00	0.26
1-2 Years	0.26	0.23
2-3 Years	0.23	-
More than 3 Years	-	-
<b>Total</b>	<b>0.62</b>	<b>0.49</b>

# 11. Other Financial Liabilities

( ₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Expenses payable	1.60	1.34
Security Deposits	0.03	0.03
<b>Total</b>	<b>1.63</b>	<b>1.37</b>

# 12. Other Current Liabilities

( ₹ in Lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Dues payable	0.02	0.23
<b>Total</b>	<b>0.02</b>	<b>0.23</b>

*[Handwritten signatures and initials]*





**PNC Infra Holdings Limited**

**CIN U45400DL2011PLC212473**

**Notes to the Financial Statements for the Year Ended March 31, 2022**

**13. Employees Benefit**

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries & Wages	19.85	15.13
EPF & other Contribution	0.02	-
<b>Total</b>	<b>19.87</b>	<b>15.13</b>

**14. Other Expenses**

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Impairment of Investment	3,758.18	-
Auditor Remuneration	0.27	0.26
Legal & Professional Expenses	48.39	1.77
Bank Charges	0.01	0.03
GST Expenses	0.10	-
BAL. WRITTEN OFF	0.00	-
Penalty & Intt Paid	-	0.00
<b>Total</b>	<b>3,806.95</b>	<b>2.06</b>



## 15. Tax Expense

## A. Income Tax Expenses

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Current tax		
Current tax on profit for the period	-	-
<b>Total Current tax expense</b>	-	-
(b) Deferred tax		
Decrease (increase) in deferred tax assets	0.47	3.92
(Decrease) increase in deferred tax Liabilities		
<b>Total Deferred Tax Expenses</b>	0.47	3.92
<b>Total Income tax Expense</b>	0.47	3.92

## (B) Reconciliation of tax expense and accounting profit multiplied by India's tax rate:

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	(3,826.82)	(17.19)
Tax at Indian tax rate of 26% (F.Y. 2020-21 -26%)	-	-
Deferred Tax recognised during the year	0.47	3.92
<b>Total tax expenses as per profit and loss</b>	0.47	3.92



**PNC Infra Holdings Limited**

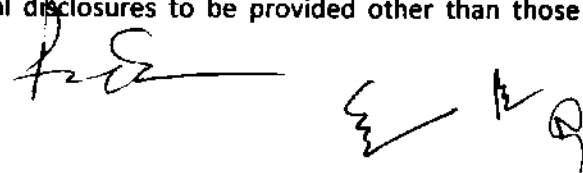
CIN U45400DL2011PLC212473

**Notes to the Financial Statements for the Year Ended March 31, 2022****16. Earning Per share**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) Profit/(Loss) available to Equity Shareholders (₹ In lakhs)	(3,827.29)	(21.11)
(b) Weighted Average number of Equity Shares	1,479.16	1,311.42
(c) Nominal value of Equity Shares (in Rs.)	10.00	10.00
(d) Basic and Diluted Earnings Per Share [(a)/(b)]	(2.59)	(0.02)

**17. Operating Segment Information**

The Company operates in only one segment therefore no additional disclosures to be provided other than those already provided in the financial year.



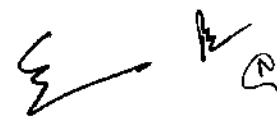
**PNC Infra Holdings Limited**

**CIN U45400DL2011PLC212473**

**Notes to the Financial Statement for the Year Ended March 31, 2022**

**18. Commitments**

( ₹ in Lakhs)		
Particular	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital amount & not provided for	-	-



## 19. Related party transactions

## (A) List of related parties

## (a) Holding company

Name	Type	Ownership Interest	
		As at March 31, 2022	As at March 31, 2021
PNC Infratech Limited	Holding Company	100%	100%

## (b) Subsidiaries company

MP Highways Private Limited  
PNC Kanpur Highways Limited  
Delhi Industrial Infra Private Limited  
PNC Bareilly Nainital Highways Private Limited  
PNC Kanpur Ayodhya Tollways Private Limited  
PNC Raebareilly Highways Private Limited  
PNC Bundelkhand Highways Private Limited  
PNC Chitracharya Highways Private Limited  
PNC Khajuraho Highways Private Limited  
PNC Triveni Sangam Highways Private Limited  
PNC Aligarh Highways Private Limited  
PNC Challakere (Karnataka) Highways Private Limited  
PNC Rajasthan Highways Private Limited  
PNC Gomti Highways Private Limited  
PNC Unnao Highways Private Limited  
PNC Bithur Kanpur Highways Private Limited  
PNC Meerut Haridwar Highways Private Limited

## (c) Key Managerial Persons

Pradeep Kumar Jain (Managing Director)  
Manish Jain (Chief Financial Officer)  
Neha Jain (Company Secretary)

## (B) Transactions between related parties

The following transactions were carried out with the related parties in the ordinary course of business.

(₹ in Lakhs)

Sr. No.	Nature of transaction	Year Ended March 31, 2022	Year Ended March 31, 2021
1	<b>Transactions during the Year</b>		
	<b>Investment in Equity share capital in Subsidiary Co.</b>		
	PNC Rajasthan Highways Private Limited	-	-
	PNC Bundelkhand Highways Private Limited	-	510.00
	PNC Chitracharya Highways Private Limited	1,202.00	300.00
	PNC Khajuraho Highways Private Limited	776.00	654.00
	PNC Triveni Sangam Highways Private Limited	1,428.00	1,938.00
	PNC Aligarh Highways Private Limited	1,326.00	1,892.00
	PNC Challakere (Karnataka) Highways Private Limited	2,660.00	-
	PNC Gomti Highways Private Limited	-	510.00
	PNC Unnao Highways Private Limited	3,515.00	510.00
	PNC Bithur Kanpur Highways Private Limited	4,434.00	510.00
	PNC Meerut Haridwar Highways Private Limited	-	510.00
2	<b>Issuance of Share Capital</b>		
	PNC Infratech Limited*	15,401.00	7,334.00
3	<b>Salary to KMP</b>		
	Manish Jain (CFO)	11.58	8.88
	Neha Jain (Company Secretary)	8.27	6.25

\*Face Value of Rs. 10/- and Premium of Rs. 40/- per Share

## (C) 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 will be settlement in cash.



*[Signature]*

*[Signature]*

*[Signature]*

Note 20 : Fair Value Measurement

On Comparison by class of carrying amount and fair value of the company's financial instruments, the carrying amounts of the financial instruments reasonably approximates fair value.  
Financial Instruments by category

Particulars	As at March 31, 2022			As at March 31, 2021		
	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI
<b>Financial Asset</b>						
Investments in Subsidiaries & Associates companies (Refer Note 3 & 5)	82,521.41	-	-	70,938.60	-	-
Cash and Bank Balances	3.66	-	-	9.95	-	-
<b>Total Financial Assets</b>	<b>82,525.07</b>	<b>-</b>	<b>-</b>	<b>70,948.54</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>						
Trade payables	0.62	-	-	0.49	-	-
Other Financial Liabilities	1.63	-	-	1.37	-	-
<b>Total Financial Liabilities</b>	<b>2.25</b>	<b>-</b>	<b>-</b>	<b>1.86</b>	<b>-</b>	<b>-</b>

(I) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are 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

Particulars	Carrying Value March 31, 2022	Fair Value Measurement using		
		Quoted price in Active Market (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)
<b>(A) Financial Assets and Liabilities measured at fair value at March 31, 2022</b>				
Investment In Subsidiaries & Associates	82,521.41	-	82,521.41	-
<b>(B) Financial Assets and Liabilities measured at amortised cost for which fair values are disclosed at March 31, 2022</b>				
<b>(I) Financial Assets</b>				
Service Concession Receivable	-	-	-	-
<b>Total</b>	<b>82,521.41</b>	<b>-</b>	<b>82,521.41</b>	<b>-</b>
<b>(II) Financial Liabilities</b>				
Borrowings	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Particulars	Carrying Value March 31, 2021	Fair Value Measurement using		
		Quoted price in Active Market (Level 1)	Significant observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)
<b>(A) Financial Assets and Liabilities measured at fair value at March 31, 2021</b>				
Investment in Subsidiaries & Associates	70,938.60	-	70,938.60	-
<b>(B) Financial Assets and Liabilities measured at amortised cost for which fair values are disclosed at March 31, 2021</b>				
<b>(I) Financial Assets</b>				
Service Concession Receivable	-	-	-	-
<b>Total</b>	<b>70,938.60</b>	<b>-</b>	<b>70,938.60</b>	<b>-</b>
<b>(II) Financial Liabilities</b>				
Non Current borrowings - Borrowings	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

(B) 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.

The following method and assumptions are used to estimate fair values:

The Carrying amounts of trade payables, short term borrowings, cash and cash equivalents, short term deposits/retentions, expenses payable etc. are considered to be their fair value, due to their short 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 The fair value of trade receivables, security deposits and retentions are evaluated on parameters such as interest rate and other risk factors. Fair value is being determined by using the discounted cash Financial assets and liabilities measured at fair value and the carrying amount is the fair value.



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**21. FINANCIAL RISK MANAGEMENT**

The Company's principal financial liabilities, other than derivatives, 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.

**(a) Interest Rate Risk**

The company has no interest bearing loan outstanding at the end of current year and previous year. Thus, the company is not exposed interest rate risk.

**(b) Foreign currency Risk**

The Company by nature does not operates internationally and as the Company has not obtained any foreign currency loans and also doesn't have any foreign currency trade payables and foreign receivables outstanding therefore, the company is not exposed to any foreign exchange risk.

**(c) Price Risk**

The company does not have any investments in equity and commodity at the current year end and previous year. Therefore the company is not exposed to price risk.

**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 on 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 has only one trade receivables that a company has against the the grant to be received, which is a government authority, therefore company is not exposed to any credit risk. 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.

**III. Liquidity Risk**

Liquidity risk is defined as the risk that company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's management is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the company'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, 2022	Carrying Amount	On Demand	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings	-	-	-	-	-	-
Trade payables	0.62	-	0.13	0.49	-	0.62
Other Liabilities	1.65	-	1.65	-	-	1.65
<b>Total</b>	<b>2.27</b>	<b>-</b>	<b>1.78</b>	<b>0.49</b>	<b>-</b>	<b>2.27</b>

( ₹ in Lakhs)						
As at March 31, 2021	Carrying Amount	On Demand	Less than One Year	More than one year and less than three year	More than 3 Years	Total
Borrowings	-	-	-	-	-	-
Trade payables	0.49	-	0.26	0.23	-	0.49
Other Liabilities	1.60	-	1.60	-	-	1.60
<b>Total</b>	<b>2.09</b>	<b>-</b>	<b>1.86</b>	<b>0.23</b>	<b>-</b>	<b>2.09</b>

**Financing arrangements:**

There are no undrawn facilities at the end of current year and previous years.



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## **22. Capital Management**

### **Risk Management**

The primary objective of the Company's Capital Management is to maximize the shareholder value and also maintain an optimal capital structure to reduce cost of capital. In order to manage the capital structure, the Company may adjust the amount of dividend paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debts.

The Company monitors capital on the basis of following gearing ratio, which is net debt divided by total capital plus debt.

As of March 31, 2022 the company had only one class of equity shares and has no debt. Consequent to the above capital structure there are no externally imposed capital requirement.

### **Nature of Operations**

The Company is engaged in investments activities and makes the investments in subsidiaries and associates.

As per our report of even date attached.

**For S.N. Gupta & CO.**

Chartered Accountants

Firm Registration No. 010573



**CA Gaurav Goyal**

Partner

M. No. 420820

Place: Agra

Date: 27.05.2022

On behalf of the Board

**Pradeep Kumar Jain**

Managing Director

DIN: 00086653

**Chakresh Kumar Jain**

Director

DIN: 00086768

**Neha Jain**

Company Secretary

**Manish Jain**

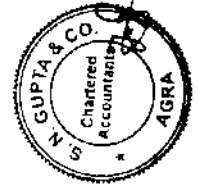
Chief Financial Officer



### 23. Ratios

The following analytical ratios for the year ended March 31, 2022 and March 31, 2021

Sr. No.	Particulars	Year ended			Reason for variance
		March 31, 2022	March 31, 2021	Variances	
1	Current Ratio (Current Assets/Current Liabilities)	40.34	8.86	576%	Due to investment recognised as "Held for Sale" under the group Current Asset during the year ended March, 31 2022.
2	Debt-Equity Ratio (Long term borrowings+Short term borrowings including current maturities of long term borrowings)/(Equity Share Capital+Other Equity)	-	-	-	
3	Debt Service Coverage Ratio (PBT+Finance Cost+Depreciation+Exceptional Item)/(Finance cost + Principal repayment of Long Term Debt Excluding Pre-payment)	-	-	-	
4	Return on Equity Ratio (PAT)/(Equity Share Capital+Other Equity)	-4.64%	-0.03%	15488%	In this year investment in GAEPL has been impaired and consequently loss recognised in financial statement of year ended March 31, 2022.
5	Inventory Turnover Ratio (Cost of Goods sold)/Average Inventory	-	-	-	
6	Trade Receivables turnover Ratio (Revenue from operation)/(Average Trade Receivable)	-	-	-	
7	Trade Payables turnover Ratio (Contract Paid)/(Average Trade Payables)	-	-	-	
8	Net Capital Turnover Ratio (Revenue from operation)/(CA-CL(Excluding Current Maturity of Long term Borrowings))	-	-	-	
9	Net Profit ratio PAT/Revenue from operation	-	-	-	
10	Return on Capital Employed (EBITDA)/Capital employed (Capital employed= Total Assets-Current Liabilities Excluding Current maturities of Long term Borrowings)	-4.64%	-0.02%	19038%	In this year investment in GAEPL has been impaired and consequently loss recognised in financial statement of year ended March 31, 2022.
11	Return on Investment PAT/Total Assets	-4.64%	-0.03%	15488%	In this year investment in GAEPL has been impaired and consequently loss recognised in financial statement of year ended March 31, 2022.



*[Handwritten signature]*