CA NARESH KATHOTIA & CO.
CHARTERED ACCOUNTANTS

H. No. 5-3-404 To 5-3-411,
2nd Floor, 203, Adinath Square,
R.P. Road, Hyderbasti,
Secunderabad -500003.
Ph : 9885101842
Email : nkathotia@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of
GVK SHIVPRI DEVAS EXPRESSWAY PRIVATE LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of GVK SHIVPRI DEVAS EXPRESSWAY PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and a summary of the 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 ("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, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matter in the notes to financial statements:
Financial statements indicates that the company has accumulated losses and it's networth has been fully eroded, the company has incurred a net loss during the current year and previous year(s) and net cash loss during the current year and the company's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as going concern. However, the financial statements of the company have been prepared on a going concern basis for the reasons stated in the said note.
Our opinion is not modified in respect of these matters.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 independence 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

NARESH KATHOTIA & Co.
Hyderabad
Chartered Accountants

and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon
The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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.

Responsibility of Management for 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 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 are responsible for overseeing the Company's financial reporting process.

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

NARESH KATHOTIA & Co.
Hyderabad
Chartered Accountants

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements

1. 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 purpose of our audit;
    b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    c. the balance sheet, the statement of profit and loss, the statement of changes in equity and the cash flow statement dealt by this Report are in agreement with the books of account;
    d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rules made thereunder and in force for the time being;
    e. on the basis of the written representations received from the directors as on 31st March 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023, from being appointed as a director in terms of Section 164 (2) of the Act;
    f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
    g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our

opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of all pending litigations on its financial position in its financial statements - Refer note no 1 corporate information to the financial statements;

ii. The company did not, as at March 31, 2023, have any material foreseeable losses relating to long term contracts including derivative contracts.

iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund during the year ended 31 March 2023.

iv.

a. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in 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, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b. The Management has represented that, to the best of its knowledge and belief, as disclosed in notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

v. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.

vi. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

2. 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

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

"Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

for Naresh Kathotia & Co
Firm's Registration No. 0009451S
Chartered Accountants

(Naresh Kathotia)
Proprietor
Membership Number 210864

UDIN: 23210864BGPTLO6263

Place: Secunderabad
Date : 23rd May 2023

Annexure A to the Independent Auditor's report (Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of GVK SHIVPRI DEVAS EXPRESSWAY PRIVATE LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of GVK SHIVPRI DEVAS EXPRESSWAY PRIVATE 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 Board of Directors of the Company 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for Naresh Kathotia & Co
Firm's Registration No. 0009451S
Chartered Accountants

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

(Naresh Kathotia)
Proprietor
Membership Number 210864
UDIN: 23210864BGPTLO6263

Place: Secunderabad
Date : 23rd May 2023

Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of GVK SHIVPRI DEVAS EXPRESSWAY PRIVATE LIMITED.

(i) With respect to Plant, Property & Equipments:

a. The Company has no fixed assets, hence clause (i) of paragraph 3 of the companies (Audit Report) Order 2016 is not applicable to the company for the year under report.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) INVENTORY

a. The company does not have any inventory, hence clause (ii) of paragraph 3 of the Order is not applicable to the company for the year under report.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments in or provided security to companies, firms, limited liability partnerships or any other parties during the year. The Company has not provided granted loans and advances in the nature of loans during the year to companies and other parties. The Company has not provided guarantees or granted loans or advances in the nature of loans during the year to firms or limited liability partnerships.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security as specified under Section 185 of the Companies Act, 2013 ("the Act") and the Company has not provided any security as specified under Section 186 of the Act. Further, in our opinion, the Company has complied with the provisions of Section 186 of the Act in relation to loans given, guarantees provided and investments made.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the company is not engaged in

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

production of goods or providing services. Hence, cost records under Section 148(1) of the Act are not required to be maintained. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, cess and material statutory dues applicable to it. According to the information and explanation given to us, there are no dues which have not been deposited on account of any dispute.

(viii)

a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

c. According to the information and explanations given to us by the management, no term loan has been taken by the management.

d. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

e. According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, as defined in the Act. The Company does not hold any investment in any associate or joint venture (as defined in the Act) during the year ended 31 March 2023.

f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

(ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.

(x) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

NARESH KATHOTIA & CO. Hyderabad Chartered Accountants

(xi)

a. Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c. No whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xv) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(xvi)

a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable.

b. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

c. According to the information and explanations provided to us during the course of audit, the Group does not have any CICs.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation 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) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

(xxi) The company has not paid or provided any managerial remuneration and therefore relevant clause of Order is not applicable to the company for the year under report.

for Naresh Kathotia & Co
Firm's Registration No. 0009451S
Chartered Accountants

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

(Naresh Kathotia)
Proprietor
Membership Number 210864

UDIN: 23210864BGPTLO6263

Place: Secunderabad
Date : 23rd May 2023

GVK Shivpuri Dewas Expressway Private Limited
Balance Sheet as at March 31, 2023
(All amounts are INR in Lakhs except for share data or otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
Non-current assets			
Property, plant and equipment	3	-	-
Intangible assets under development	3	-	-
		-	-
Current Assets			
Financial assets			
- Cash and cash equivalents	4	0.16	0.16
Current tax assets	5	-	-
Other current assets	6	-	-
		0.16	**0.16**
Total Assets		**0.16**	**0.16**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	7	100.00	100.00
Other equity	8		
(a) Retained earnings		(1,637.44)	(1,637.24)
(b) Subordinated Debt		1,537.16	1,537.16
Total Equity		**(0.28)**	**(0.08)**
Liabilities			
Current liabilities			
Financial liabilities			
Trade payables	9		
Dues to micro enterprises and small enterprises		-	-
Dues to creditors other than micro enterprises and small enterprises		0.35	0.24
Other current liabilities	10	0.08	-
		0.43	**0.24**
Total Equity and liabilities		**0.16**	**0.16**
Corporate information and significant accounting policies	1 & 2		

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

Unique Document Identification Number (UDIN) : 23210864BGPTLO6263

For Naresh Kathotia & Co
Chartered Accountants
Firm No. 0009451S

Naresh Kathotia
Proprietor
Membership No. 210864

Place: Secunderabad
Date: 23.05.2023

For and on behalf of the Board of Directors
GVK Shivpuri Dewas Expressway Private Limited

P AUDISESHA REDDY
Director
(DIN: 05300542)

GVK Shivpuri Dewas Expressway Private Limited

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

(All amounts are INR in Lakhs except for share data or otherwise stated)

Particulars	Notes	For the year ended March 31, 2023	For the period ended March 31, 2022
INCOME			
Revenue from operations		-	-
Other income (net)	11	-	4.37
Total income		**-**	**4.37**
EXPENSES			
Other operating expenses	12	0.20	47.33
Total expenses		**0.20**	**47.33**
Loss before tax		**(0.20)**	**(42.96)**
Tax expense			
(a) Current tax			
(b) Deferred tax		-	-
Total tax (income)/expense		-	-
Loss for the year		(0.20)	(42.96)
Other Comprehensive Income (OCI)			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(loss) on employee defined benefit plans		-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Total other comprehensive income		**-**	**-**
Total comprehensive income for the year		**(0.20)**	**(42.96)**
Earnings per equity share:			
Basic earnings per share		(0.02)	(4.30)
Diluted earnings per share		(0.02)	(4.30)
Corporate information &Summary of significant accounting policies	1&2		

The accompanying notes are an integral part of the financial

In terms of our report attached

Unique Document Identification Number (UDIN) : 23210864BGPTLO6263

For Naresh Kathotia & Co
Chartered Accountants
Firm No. 0009451S

Naresh Kathotia
Proprietor
Membership No. 210864

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

For and on behalf of the Board of Directors
GVK Shivpuri Dewas Expressway Private Limited

P AUDISESHA REDDY
Director
(DIN: 05300542)

Place: Secunderabad
Date: 23.05.2023

GVK Shivpuri Dewas Expressway Private Limited

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

(All amounts are INR in Lakhs except for share data or otherwise stated)

a) Equity Share Capital

Equity shares of INR 10 each issued and subscribed	No.	Amount
Balance as on April 1, 2021	1,00,00,000	10,00,00,000
Issued during the year	-	-
Balance as on March 31, 2022	**1,00,00,000**	**10,00,00,000**
Balance as on April 1, 2022	1,00,00,000	10,00,00,000
Issued during the year	-	-
At March 31, 2023	**1,00,00,000**	**10,00,00,000**

b) Other equity

Particulars	Subordinated Debt	Reserves and surplus	Total
	Deemed Equity	Retained earnings	
Balance as on April 1, 2021	1,489.95	(1,594.28)	**(104.32)**
Add: Equity Contribution	47.20	-	**47.20**
Add: Loss for the year	-	(42.96)	**(42.96)**
Balance as on March 31, 2022	**1,537.16**	**(1,637.24)**	**(100.08)**
Balance as on April 1, 2022	1,537.16	(1,637.24)	(100.08)
Add: Equity Contribution	-	-	-
Less: Equity Contribution	-	-	-
Add: Loss for the year	-	(0.20)	(0.20)
Balance as at March 31, 2023	**1,537.16**	**(1,637.44)**	**(100.28)**

Disclosures of Shareholding of Promoters - Shares held by the Promoters:

S. No		2023	2022
Promoter name		GVK POWER & INFRASTRUCTURE LTD	GVK POWER & INFRASTRUCTURE LTD
Class of Shares		EQUITY	EQUITY
At the end of the year	No. of Shares	10,00,000	10,00,000
	%of total shares	100	100
At the beginning of the year	No. of Shares	10,00,000	10,00,000
	%of total shares	100	100
% Change during the year		NIL	NIL

The accompanying notes are an integral part of the financial statements.
In terms of our report attached

Unique Document Identification Number (UDIN) : 23210864BGPTLO6263

For Naresh Kathotia & Co
Chartered Accountants
Firm No. 0009451S

Naresh Kathotia
Proprietor
Membership No. 210864

Place: Secunderabad
Date: 23.05.2023

For and on behalf of the Board of Directors
GVK Shivpuri Dewas Expressway Private Limited

P AUDISESHA REDDY
Director
(DIN: 05300542)

GVK Shivpuri Dewas Expressway Private Limited

Cash flow statement for the year ended March 31, 2023

(All amounts are INR in Lakhs except for share data or otherwise stated)

Particular		For the year ended March 31, 2023	For the year ended March 31,2022
I. CASH FLOW FROM OPERATING ACTIVITIES			
Net (Loss) /Profit before tax		(0.20)	(42.96)
Adjustments to reconcile profit before tax to net cash flows			-
Excess Provisions and Credit Balances written back		-	(4.37)
Operating profit before working capital changes		**(0.20)**	**(47.33)**
Movements in working capital:			
Increase/(Decrease) in Trade Payables/other current liabilities		4.49	(0.01)
Cash generated from operations		**4.29**	**(47.35)**
Direct taxes (paid)/refund received (net)		-	-
Net cash from operating activities	**A**	**4.29**	**(47.35)**
II. CASH FLOW FROM INVESTING ACTIVITIES			
Increase/(Decrease) in current & non-current liabilities		0.08	-
(Increase)/Decrease in Short term advances		-	0.14
Net cash from investing activities	**B**	**0.08**	**0.14**
III. CASH FLOW FROM FINANCING ACTIVITIES:			
Proceeds from Interest free unsecured loan (Deemed Equity)		47.20	47.20
Net cash from financing activities	**C**	**47.20**	**47.20**
Net Increase/(decrease) in Cash and Cash Equivalents	**(A+B+C)**	-	(0.00)
Cash and Cash Equivalents at the beginning of the year		0.16	0.16
Cash and Cash Equivalents at the end of the year		**0.16**	**0.16**
Components of cash and cash equivalents			
Balance with Bank in current accounts		0.16	0.16
Total cash and cash equivalents as per Balance Sheet		**0.16**	**0.16**
Corporate information &Summary of significant accounting policies	1&2		

The accompanying notes are an integral part of the financial statements.

In terms of our report attached

Unique Document Identification Number (UDIN) : 23210864BGPTLO6263

For Naresh Kathotia & Co

Chartered Accountants

Firm No. 0009451S

Naresh Kathotia

Proprietor

Membership No. 210864

NARESH KATHOTIA & CO. Hyderabad Chartered Accountants

For and on behalf of the Board of Directors

GVK Shivpuri Dewas Expressway Private Limited

P AUDISESHA REDDY

Director

(DIN: 05300542)

Place: Secunderabad

Date: 23.05.2023

GVK Shivpuri Dewas Expressway Private Limited

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

(All amounts are INR in Lakhs except for share data or otherwise stated)

1 Corporate information

GVK Shivpuri Dewas Expressway Private Limited was incorporated on October 07, 2011 in the state of Andhra Pradesh as a subsidiary of GVK Transportation Private Limited which, in turn, is a subsidiary of GVK Power and Infrastructure Limited.The Company has been incorporated as a Special Purpose Vehicle and have entered into a Concession Agreement (CA) with National Highway Authority of India (NHAI) on January 12,2012 pursuant whereto, the NHAI has awarded to the Company the project of four laning of Shivpuri-Dewas Section of National Highway No. 3 (NH - 3) from Km 236.00 to Km 566.450 in the State of Madhya Pradesh on Build, Operate and Transfer (BOT) basis, on design, build, finance, operate and transfer (DBFOT) pattern under National Highway Development Program (Phase IV). As per the CA entered with NHAI, the Company has been given concession for a period of 30 years (including construction period) to operate and maintain the project highway and has the right to collect toll from the vehicles using the project highway.

During 2012-13, as per the provisions of the CA, the Company has terminated the CA entered into by them with NHAI on account of Force Majeure event pursuant to a Change in Law requiring the Company to obtain an environmental clearance from the Ministry of Environment and Forests for the purpose of extraction of boulders and other minor minerals from mining lease areas of less than 5 hectares. NHAI has, however, disputed the occurrence of the Force Majeure event and the consequential termination of CA by the Company.(d) Without prejudice to the above primary dispute, the Company has requested NHAI to return the bank guarantee amounting to Rs. 140.75 crores provided to them as per the requirement and provisions of the CA as performance security. NHAI has failed to return the performance security to the Company and therefore, the Company has, initiated arbitration process to adjudicate on the dispute on returning of the performance security. The Company has also filed an application before the Honorable Delhi High Court, praying for relief from possible invocation of the performance security by NHAI and the Honorable Delhi High Court has granted interim injunction against invocation and encashment of performance security, and referred the matter for Arbitration under the provisions of the Concession Agreement. The proceedings before the Arbitral Tribunal are in progress. The interim orders of the Hon'ble High Court of Delhi to maintain status quo on the performance security is in in force as on the date of the Balance Sheet.The Company has received Orders dated 10th April 2015 from the Arbitral Tribunal, permitting it to renew the bank Guarantee for a value of Rs. 28.15 crore, instead of Rs.140.75 crore.

The above Performance Bank Guarantee is provided in pursuance to concession agreement in favour of National Highway Authority of India with validity up to 06-08-2022 for Rs 28.15 crores. The matter was then taken up to conceliation committee where it was decided to return orignal bank gaurantee to company with a condition that either of the party will not have further claims. and in turn was returned to company and surrendered to ICICI Bank and obtained NOC.

2. Statement of significant accounting policies

2 Basis of preparation

The financial statements of the Company have been prepared on liquidation basis in accordance with Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

2 Summary of significant accounting policies

(a) 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.

Naresh Kathotia & Co. Hyderabad Chartered Accountants

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 is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Functional and presentation currency

The financial statements are presented in INR which is also the Company's functional currencyand and all values are rounded to the nearest rupees in lakhs, except when otherwise indicated.

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data 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 assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(d) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

(e) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 Company operates and generates taxable income.

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). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is 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. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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 period/year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate

Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. The credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

(f) **Intangible Assets**

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

Subsequent expenditure related to intangible assets or other intangible assests is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extends its estimated useful life. All other expenses on existing intangible assets , including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Hyderabad
Chartered Accountants

(g) Intangible assets under development

Cost of toll collection right awarded to the Company by the NHAI under the concession agreement signed with them on BOT basis includes direct and indirect expenses incurred on construction of the Project Highway.The Company at present is a special purpose vehicle incorporated for the purpose of construction of the Project highway and therefore, follows a policy of capitalizing all direct and indirect pre-operative expenses incurred during the construction period. Such expenditures are shown as pre-operative expenses under "Intangible assets under development". However, for the reason explained at Note No.1, by giving due notice to NHAI, the Company terminated the Concession Agreement. The matter is now before the Arbitral Tribunal for decision on the various claims and counter claim by the Company and NHAI. The company's efforts during the past years to revive the project by seeking concessions / waivers from NHAI did not bear fruit. Therefore the expenditure incurred up to the date of the Balance Sheet Rs. 13,57,34,746 is transferred to Statement of Profit and Loss.

(h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods/ years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(i) Provisions

General

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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Naresh Kathotia & Co. Hyderabad Chartered Accountants

(j) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement, a 'debt instrument' 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.

This category is the most relevant to the Company. 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. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Equity investments:

In respect of equity investments, when an entity prepares separate financial statements, Ind AS 27 requires it to account for its investments in subsidiaries and associates either:

(a) at cost; or

(b) in accordance with Ind AS 109.

If a first-time adopter measures such an investment at cost in accordance with Ind AS 27, it shall measure that investment at one of the following amounts in its separate opening Ind AS Balance Sheet:

(a) cost determined in accordance with Ind AS 27; or

(b) deemed cost. The deemed cost of such an investment shall be its:

(i) fair value at the entity's date of transition to Ind ASs in its separate financial statements; or

(ii) previous GAAP carrying amount at that date.

A first-time adopter may choose either (i) or (ii) above to measure its investment in each subsidiary or associate that it elects to measure using a deemed cost.

Since the company is a first time adopter it has measured its investment in subsidiary and associate at deemed cost in accordance with Ind AS 27 by taking previous GAAP carrying amount.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Company has transferred its rights to receive cash flows from the asset, and

i. the Company has transferred substantially all the risks and rewards of the asset, or

ii. the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Hyderabad
Chartered Accountants

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18

c) Loan commitments which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

► All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

► Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

► Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

► Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

Financial liabilities

Initial recognition and measurement

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

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

The Company's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts.

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

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. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

(k) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(l) Segment Reporting

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

NARESH KATHOTIA & CO. Hyderabad Chartered Accountants

(All amounts are INR in Lakhs except for share data or otherwise stated)

3. Property, plant and equipment

Particulars	As at	
	March 31, 2023	March 31, 2022
Carrying amount of:		
	-	-
Intangible Assest under development	-	-
	-	-
Total Assets	-	-

4. Cash and Cash Equivalents

Particulars	As at	
	March 31, 2023	March 31, 2022
Balances with Banks		
in current accounts	0.16	0.16
Total	**0.16**	**0.16**

5. Curren tax assets ,net

Particulars	As at	
	March 31, 2023	March 31, 2022
Current tax assets ,net	-	-
Total	-	-

6.Other current assets

Particulars	As at	
	March 31, 2023	March 31, 2022
Advances recoverable	-	-
From Others	-	0.14
Total current assets	-	**0.14**

GVK Shivpuri Dewas Expressway Private Limited
Notes to financial statements for the year ended March 31, 2023
(All amounts are INR in Lakhs except for share data or otherwise stated)

7. Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
i. Authorised share capital:		
1,000,000 equity Shares (PY 1,000,000) of Rs. 10/- Each	1,00,00,000	1,00,00,000
ii. Issued, Subscribed & Paid up share capital:		
1,000,000 equity Shares (PY 1,000,000) of Rs. 10/- each fully paid	100.00	100.00
Total	**100.00**	**100.00**

a. Reconciliation of number of shares outstanding and amount at the beginning and at the end of the year

Particulars	March 31, 2023		March 31, 2022	
	No.	Rs	No.	Rs
Number of shares at the beginning of the year	10.00	100.00	10.00	100.00
Issue of shares during the year	-		-	-
Outstanding, at the end of the year	**10.00**	**100.00**	**10.00**	**100.00**

b. Terms/rights attached to equity shares

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his/its share of the paid-up equity share capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable has not been paid. Failure to pay any amount called up on shares may lead to their forfeiture. On winding up of the company, the holders of equity shares will be entitled to receive the residual assets of the company, remaining after distribution of all preferential amounts, in proportion to the number of equity shares held.

c. Details of shareholders holding more than 5% equity shares in the Company

Particulars	March 31, 2023		March 31, 2022	
	No.	% of holding	No.	% of holding
GVK Power & Infrastructure Limited	9,99,900	99.99%		
GVK Transportation Pvt. Ltd.	-	-	9,99,900	9999000.00%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

d. Details of shares held by the holding company and others

Particulars	March 31, 2023		March 31, 2022	
	No.	% of holding	No.	% of holding
GVK Power & Infrastructure Limited	9,99,900	99.99%	-	-
GVK Transportation Pvt. Ltd.	-	-	9,99,900	99.99%
Krishna Ram Bhupal Jointly with GVK Power & Infrastructure Ltd	100	0.01%	100	0.01%
Total	**10,00,000**	**100%**	**10,00,000**	**100%**

NARESH ... & CO. Hyderabad Chartered Accountants

(All amounts are INR in Lakhs except for share data or otherwise stated)

8. Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
Retained earnings	(1,637.44)	(1,637.24)
Subordinated Debt (Deemed Equity)	1,537.16	1,537.16
Balance at end of year	**(100.28)**	**(100.08)**

8.1 Deficit in Statement of Profit and Loss

	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	(1,637.24)	(1,594.28)
(loss)/Profit attributable to owners of the Company	(0.20)	(42.96)
Balance at end of year	**(1,637.44)**	**(1,637.24)**

8.2 Subordinated Debt (Deemed Equity)

	As at March 31, 2023	As at March 31, 2022
Balance at beginning of year	1,537.16	1,489.95
Addition during the year	-	47.20
Balance at end of year	1,537.16	1,537.16

NARESH [illegible] & Co.
Hyderabad
Chartered Accountants

GVK Shivpuri Dewas Expressway Private Limited

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

(All amounts are INR in Lakhs except for share data or otherwise stated)

9. Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2022	
Trade Payables - Current			
Dues to micro enterprises and small enterprises (Refer Note i below)	-	-	-
Dues to creditors other than micro enterprises and small enterprises			
(i) dues to related parties	-	-	
(ii) dues to others	0.35	4.62	Audit Fees
Total	**0.35**	**4.62**	

Note i.

There are no dues to Micro, small and medium enterprises as at March 31, 2022 and March 31, 2021. The identification of Micro, small and medium enterprises as defined under the provisions of "Micro, Small and Medium Enterprises Act, 2006" is based on management's knowledge of their status.

Trade Payable ageing schedule:

As on 31 March 2023:

₹ Lakhs

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	0.35	0.35	0.35	3.91	4.98
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	-	-	**0.35**	**0.35**	**0.35**	**3.91**	**4.98**

As on 31 March 2022:

₹ Lakhs

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	0.35	0.35	3.92	4.62
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	-	-	-	**0.35**	**0.35**	**3.92**	**4.62**

Hyderabad

10. Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from related parties	0.08	-
Total	0.08	-

11. Other income

Particulars	**As at March 31, 2023**	**As at March 31, 2021**
Excess Provisions and Credit Balances written back	-	-
Total	-	-

12. Other operating expenses

Particulars	**For the period ended March 31, 2023**	**For the year ended March 31, 2022**
Bank Charges and Commission	-	71.53
Legal & professional charges	-	0.34
Fees ,Rates & Taxes	0.08	0.04
Auditors' remuneration (Refer Note (i) below)	0.12	0.12
Mis Expenses	-	-
Total	0.20	72.03

Note i Payments to auditors

Particular	**For the period ended March 31, 2023**	**For the year ended March 31, 2022**
- Statutory audit excluding Service Tax	0.10	0.10
-GST /Service Tax on fees and reimbursent	0.02	0.02
	0.12	**0.12**

NARSE... & Co. Hyderabad Chartered Accountants

(All amounts are INR in Lakhs except for share data or otherwise stated)

13 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, compulsorily convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, borrowings including interest accrued on borrowings, trade and other payables, less cash and short-term deposits.

Particular	31 March 2023	31 March 2022
Total liabilities	0.43	0.24
Less: cash and cash equivalents	0.16	0.16
Adjusted net debt	**0.27**	**0.08**
Total equity	(0.28)	(4,32,184.00)
Adjustments	-	-
Adjusted equity	(0.28)	(4,32,184.00)
Adjusted net debt to adjusted equity ratio	**(0.99)**	**(0.00)**

14. Earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group

- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

Particular	31 March 2023	31 March 2020
i. Profit (loss) attributable to equity shareholders(basic)	(0.20)	(42.96)
ii. Weighted average number of equity shares (basic)	10.00	10.00
Basic EPS	**(0.02)**	**(4.30)**

The Company does not have any potentially dilutive equity shares outstanding during the year.

15 Project Status and update on arbitration.

NARESH KATHOTIA & Co. Hyderabad Chartered Accountants

Company has filed an arbitration claim petition before an arbitral tribunal against NHAI, for the settlement of certain disputes that had arisen under a concession agreement dated January 12, 2012 ("Concession Agreement") entered between Company and NHAI. Company has submitted that pursuant to the Concession Agreement, Company had provided a performance security of ` 140.75 crore ("Performance Security") to NHAI on July 7, 2012 for performance of obligations under the Concession Agreement. Company issued a termination notice dated January 14, 2013 in terms of the Concession Agreement on account of a force majeure event and asked NHAI to return the Performance Security. It is alleged by Company that NHAI failed to return the said Performance Security. Company filed a petition dated 3rd January, 2013 , under the Arbitration and Conciliation Act, 1996 for seeking interim protection against appropriation / encashment of the Performance Security by NHAI and thereafter also filed an application for appointment of an arbitrator by NHAI before the High Court of Delhi (the "High Court"). The High Court passed an order dated January 7, 2013 directing NHAI to maintain status quo in respect of the Performance Security. The dispute between the Parties is being adjudicated through Arbitration as provided under the Concession Agreement. The Tribunal consists of (1) Justice Anil Dev Singh (Presiding Arbitrator), (2) Justice Mukul Mudgal (GVK) and (3) Mr. Sudesh Dhiman of NHAI .Company has in its statement of claim before the arbitral tribunal sought that the original Performance Security be returned by NHAI, along with compensation of ` 8.5 crore (including ` 1.56 crore for keeping the Performance Security alive) and ` 37.01 crore as compensation for claims raised by engineering, procurement and construction contractors under the Concession Agreement. The total claim by Company excluding the return of Performance Security amounts to ` 45.51 crore. Before the Arbitral Tribunal, NHAI has filed its statement of defence including counter claim for ` Rs.453.74 crore. On an application filed by Company for limiting the value of the Performance Security in terms of the Concession Agreement, the arbitral tribunal has allowed Company to reduce the value of the Performance Security in terms of its order dated April 10, 2015 to Rs. 28.15 crore. GVKSDEPL had also filed an application before the arbitral tribunal to revise its claim to Rs. 550.58 crore and for return of performance security. The said application for revision by the company of its claim was allowed vide order dated 29th September, 2015 and revised claim statement was filed on 7th November 2015. NHAI has filed its response and revised counter claim. Pleadings in the arbitral proceedings stand completed including filing of Affidavit of evidence by the Parties. Cross examination of witnesses from each party is completed. The matter is under final arguments by parties . GVKSDEPL has completed its oral arguments and NHAI is to commence its oral arguments . Thereafter GVKSDEPL will be presenting its rejoinder . The matter was then taken up to conceliation committee where it was decided to return orignal bank gaurantee to company with a condition that either of the party will not have further claims. and in turn was returned to company and surrendered to ICICI Bank and obtained NOC.

(All amounts are INR in Lakhs except for share data or otherwise stated)

16. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

a) Financial instruments by category

The carrying value and fair value of financial instruments by categories as of 31 March, 2023 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Current							
Cash and cash equivalents	0.16	-	-	-	-	0.16	0.16
Total Financial Assets	**0.16**	-	-	-	-	**0.16**	**0.16**
Liabilities:							
Current liabilities			-	-	-		
Trade payable	0.35	-	-	-	-	0.35	0.35
Total Financial Liabilities	**0.35**	-	-	-	-	**0.35**	**0.35**

The carrying value and fair value of financial instruments by categories as of 31 March2022 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
Assets:							
Current -Financial Assets							
Cash and cash equivalents	0.16	-	-	-	-	0.16	0.16
Total Financial Assets	**0.16**	-	-	-	-	**0.16**	**0.16**
Liabilities:							
Current liabilities			-	-	-		
Other financial liabilities	0.24	-	-	-	-	0.24	0.24
Total Financial Liabilities	**0.24**	-	-	-	-	**0.24**	**0.24**

Hyderabad
Chartered Accountants

(All amounts are INR in Lakhs except for share data or otherwise stated)

17.Financial Risk Management Framework
Risk management framework

The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk , which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

Credit Risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk.

Credit Risk
Cash and cash equivalents

The Company holds cash and cash equivalents of Rs.15,835/- at 31 March 2023 (31 March 2022: Rs. 15,835). The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Exposure to credit risk:
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was Rs.15,835/- as at March 31, 2023 (Rs. 15,835/- as at March 31, 2022) , being the total of the carrying amount of financial assets.

Liquidity Risk
Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per 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.

Year ended March 31, 2022

	On Demand	in next 12 months	>1 year	Total
Trade payable	-	0.35	-	0.35
Total	-	**0.35**	-	**0.35**

Year ended March 31, 2023

	On Demand	in next 12 months	>1 year	Total
Trade Payable	-	0.24	-	0.24
Total	-	**0.24**	-	**0.24**

Hyderabad
Chartered Accountants

(All amounts are INR in Lakhs except for share data or otherwise stated)

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2023:

	Date of valuation	Fair value measurement using Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Liabilities:					
Current liabilities					
Trade payable	45,016.00	-	-	0.35	0.35
Total		-	-	**0.35**	**0.35**

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2022:

	Date of valuation	Fair value measurement using Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial liabilities-Current					
Trade Payable	31-Mar-23	-	-	0.24	0.24
Total		-	-	**0.24**	**0.24**

NARESH & Co. Hyderabad Chartered Accountants

GVK Shivpuri Dewas Expressway Private Limited
Notes to financial statements for the year ended March 31, 2023
(All amounts are INR in Lakhs except for share data or otherwise stated)

18 Related Party Disclosures

Transactions with Related Parties as specified under Ind- AS 24

A. List of related parties and nature of relationship

S. No.	Name of the related party	Nature of relationship
1	GVK Power and Infrastructure Limited	Holding company
2	GVK Transportation Private Limited	Fellow Subsidiary
3	GVK Bagodara Vasad Expressway Pvt Ltd	Fellow Subsidiary
4	GVK Deoli Kota Expressway Pvt Ltd	Fellow Subsidiary
5	GVK Jaipur Expressway Pvt Ltd	Fellow Subsidiary
6	GVK Developmental Projects Private Limited	Entities over which key management personnel and relatives of ultimate parent company exercise significant influence.
7	GVK Projects and Technical Services Limited	
8	GVK Technical & Consultancy Services Private Limited	

B. Key management personnel

S. No.	Name of Personnel	Nature of relationship
1	Mr. Issac A. George	Director
2	Mr. P. Adisesha Reddy	Director
3	Mr M Rama Murty	Director

C. Transactions with related parties during the year ended

S. No.	Name of the related party	Nature of transactions	31 March 2023	31 March 2022
1	GVK Transportation Private Limited	Payable	0.08	72.02
				-

D. Balances outstanding

S. No.	Name of the related party	Nature of balances	31 March 2023	31 March 2022
1	GVK Transportation Private Limited	Payable	(1,537.16)	(1,489.95)

NARESH & Co. Hyderabad Chartered Accountants

GVK Shivpuri Dewas Expressway Private Limited
Notes to financial statements for the year ended March 31, 2023
(All amounts are INR in Lakhs except for share data or otherwise stated)

19 Previous Year Figures

The Previous year figures have been regrouped and /or rearranged whereever necessary to conform to the current year groupings/ classifications.

Unique Document Identification Number (UDIN) : 23210864BGPTLO6263

For Naresh Kathotia & Co
Chartered Accountants
Firm No. 0009451S

Naresh Kathotia
Proprietor
Membership No. 210864

For and on behalf of the Board of Directors
GVK Shivpuri Dewas Expressway Private Limited

P AUDISESHA REDDY
Director
(DIN: 05300542)

Place: Secunderabad
Date: 23.05.2023