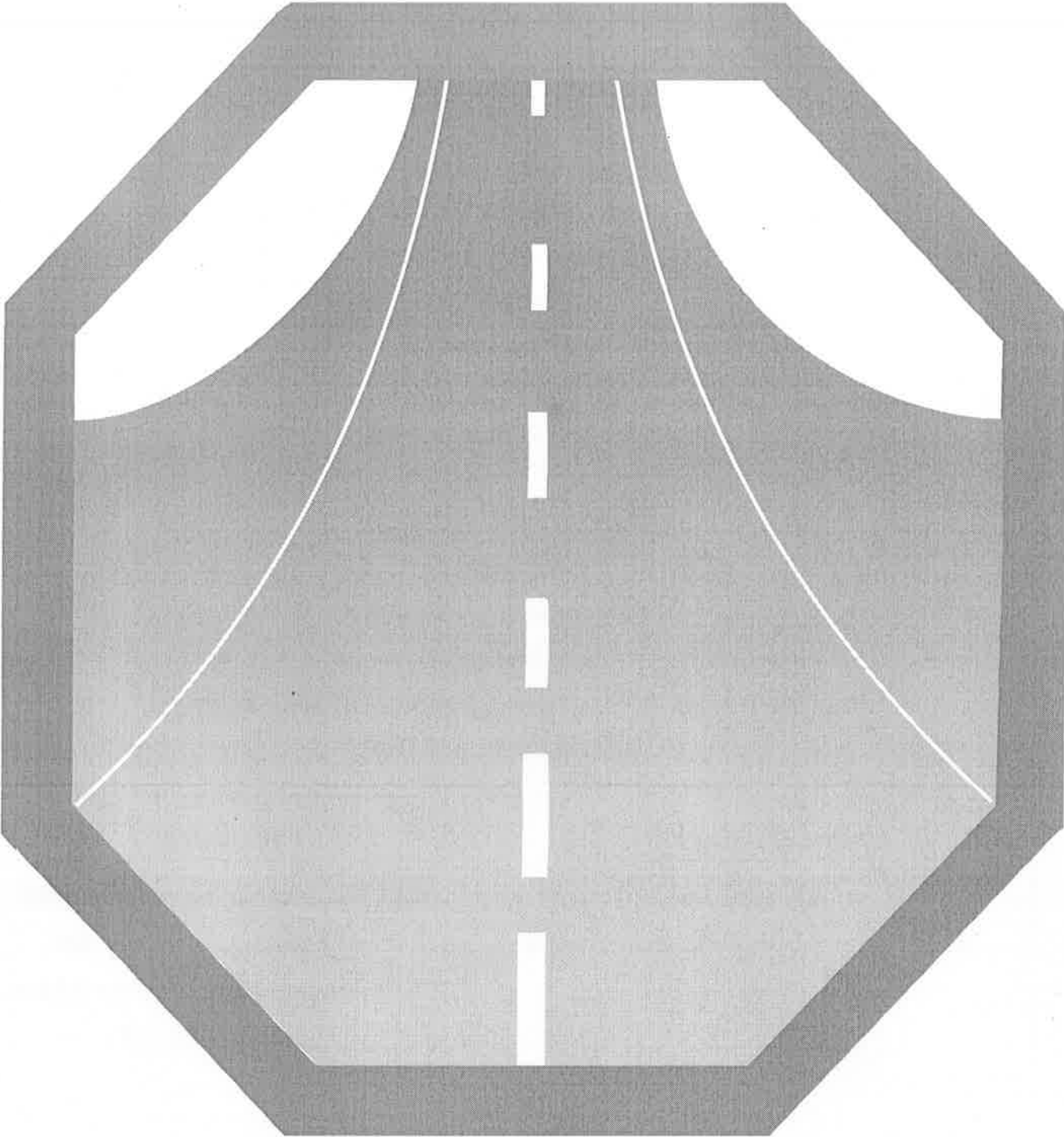


**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**



**ANNUAL REPORT 2023**

**BOARD OF DIRECTORS**

Mr. S. B. Vasava  
Mr. C.P.Patel  
Mr. Pranab Nanda  
Mr. A.N.Mistry  
Mr. Deep Gupta  
Mr. Abhishek Poddar  
Mr. Pavneet Singh Sethi  
Mr. Dilip Bhatia  
Ms. Priya Shetty  
Mr. Tushar S. Bhatt  
Mr. Abodh Khandelwal

**STATUTORY AUDITOR**

S R B C & CO LLP  
Chartered Accountants  
21<sup>st</sup> Floor, B Wing, Privilon,  
Ambli BRT Road, Behind Isckon Temple, Off S. G. Highway,  
Ahmedabad - 380 059

**OUR BANKERS**

Axis Bank Ltd.  
S. G. Highway, Ahmedabad - 380015

**TRUSTEE**

IDBI Trusteeship Services Limited  
Asian Building, Ground Floor,  
17, R. Kamani Marg, Ballard Estate,  
Mumbai - 400 001.

**REGISTERED OFFICE**

Office of the Secretary  
Roads & Buildings Department,  
Sachivalaya, Block No. 14, Second Floor, Gandhinagar - 382 010

# GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

301, Shapath, Opp. Rajpath Club, Sarkhej-Gandhinagar Highway, Bodakdev, Ahmedabad - 380015  
Tel: 079-26873413, 26870949 Fax: 079-26870094 e-mail: info@gricl.in CIN U65990GJ1999PLC036086 www.gricl.com

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## NOTICE OF 24<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE is hereby given that the 24<sup>th</sup> Annual General Meeting of the Members of Gujarat Road and Infrastructure Company Limited will be held on Monday July 17, 2023 at 2.00 pm at the Conference Room, Project Implementation Unit, Nirman Bhavan, Gandhinagar- 382010, Gujarat, India to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 and the Reports of the Board of Directors and the Auditors.]
2. To appoint a Director in place of Mr. Pranab Jyotiprakash Nanda (DIN: 05329993), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pavneet Singh Sethi (DIN: 07919519), who retires by rotation and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS :-**

4. To appoint Mr. Abodh Khandelwal (DIN: 07807394) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Abodh Khandelwal (DIN: 07807394) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 1 (one) year for up to March 27, 2024.”

5. To appoint Mr. Tushar Bhatt (DIN: 00008101) as an Independent Director and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

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**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Tushar Bhatt (DIN: 00008101) who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 1 (one) year for up to March 27, 2024.”

6. To consider and if thought fit to pass with or without modification the following resolution as a **Special resolution**:

To approve the alteration of Articles of Association (“AOA”) of the Company by way of insertion of an Article with respect to appointment of person nominated by Debenture **Trustee(s) as a director**

**“RESOLVED THAT** pursuant to provisions of section 14 of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) (the “Act”) read with the rules made thereunder and Regulation 23(6) of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“NCS Regulations”), the existing Articles of Association of the Company be and is hereby altered by inserting following new Article 174A subsequent to existing Article 174:

Debenture Director	174A	Notwithstanding anything contained in these Articles, so long as any debt shall be owing by the Company to debenture holders or any financial obligation or commitment of the Company remains outstanding in terms of payment of interest or repayment of principal amount, upon occurrence of (i) two consecutive defaults in payment of interest to the debenture holders; or (ii) default in creation of security for debentures; or (iii) default in redemption of debentures or such other event specified in SEBI (Debenture Trustees) Regulations, 1993 as amended from time to time, the Debenture Trustee(s) shall, subject to an agreement in that behalf between it and the Company, have right to nominate one or more persons as Director(s) on the Board of Directors of the Company in terms of provisions of the Securities and Exchange Board of
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# GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

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India (Debenture Trustees) Regulations, 1993 and/or  
any other applicable laws.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, all the Director of the Company be and are hereby severally authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns, e-forms for the purpose of giving effect to the aforesaid resolution.”

**By Order of the Board of Directors**

**For Gujarat Road and Infrastructure Company Limited**

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



**Ankit Sheth**  
Company Secretary

Registered Office:  
Office of the Secretary, Roads & Buildings Department,  
Block 14, Second Floor, Sachivalaya, 382 010  
Gandhinagar, Gujarat, India –  
CIN U65990GJ1999PLC036086  
Tel: 079-26873413, 26870949  
Fax: 079-26870094  
Website: www.gricl.com  
e-mail: info@gricl.in

## **NOTES:**

1. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and, on a poll, to vote instead of himself and the Proxy need not be a Member of the Company.
2. **Proxies, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the Company not less than forty-eight (48) hours before the time fixed for the Meeting.**
3. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company

## GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

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carrying voting rights. A Member holding more than ten percent (10%) of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.
5. Members/ Proxies/ Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting and Members are requested to write their Folio No. in the attendance slip for attending the Meeting.
6. During the period beginning twenty four (24) hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the Company on all working days of the Company between 11:00 a.m. and 1:00 p.m. upto the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.
7. Members are requested to communicate all their correspondence including share transfers at Registered Office.
8. Members are requested to notify immediately any change in their address to the Company quoting their Folio No.
9. A Route Map of the venue of Annual General Meeting is annexed with the notice of Annual General Meeting.
10. Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business under Item Nos. 5 and 6 of the accompanying Notice is annexed hereto.

# **GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**

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## **EXPLANATORY STATEMENT**

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) sets out all material facts relating to the business mentioned at Item No. 4 to 6 of the accompanying notice.

### **Item No. 4**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Abodh Khandelwal as an Additional Director to hold office as an Independent Director of the Company with effect from March 28, 2023. In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of shareholders.

Mr. Abodh Khandelwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Abodh Khandelwal that he meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act. In the opinion of the Board, Mr. Abodh Khandelwal fulfills the conditions for his appointment as an Independent Director as specified in the Act and the rules made thereunder. Brief profile of Mr. Abodh Khandelwal is as stated in table provided in Annexure. Copy of the draft letter for appointment of Mr. Abodh Khandelwal as an Independent Director setting out the terms and conditions is available for inspection by members at the registered office of the Company. Save and except Mr. Abodh Khandelwal, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

### **Item No. 5**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Act and the Articles of Association of the Company, Mr. Tushar S. Bhatt as an Additional Director to hold office as an Independent Director of the Company with effect from March 28, 2023. In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of shareholders.

Mr. Tushar S. Bhatt is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Tushar S. Bhatt that he meets with the criteria of independence as prescribed both under subsection (6) of Section 149 of the Act. In the opinion of the Board, Mr. Tushar S. Bhatt fulfills the conditions for his appointment as an Independent Director as specified in the Act and the rules made thereunder. Brief profile of Mr. Tushar S. Bhatt is as stated in table provided in Annexure Copy of the draft letter for appointment of Mr. Tushar S. Bhatt as an Independent Director setting out the terms and conditions is available for inspection

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by members at the registered office of the Company. Save and except Mr. Tushar S. Bhatt, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice. The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

## Annexure

### **Information pursuant to Secretarial Standard-2 on General Meeting regarding re-appointment of a Director**

Name of Director	Mr. Abohd Khandelwal	Mr. Tushar S. Bhatt
Director Identification Number (DIN)	07807394	00008101
Date of Birth & Age	05/03/1961	30/09/1954
Date of Appointment	28/03/2023	28/03/2023
Qualification	Chartered Accountant (FCA)	MBA - Finance , Bachelor of Engineering ( B.E. )
Expertise in specific functional areas	34 years extensive experience in the area of fund mobilization, treasury management, indirect tax, project financing and discharging Board Responsibilities	40 years of strategic planning and leadership experience out of which 19 years in Private Conglomerate Essar Power Ltd ( EPoL ) , 19 years in Navratna PSU, National Thermal Power Corporation Ltd (NTPC) , 1 year in Essar Steel India Ltd ( now Arcelor Mittal Nippon Steel India Ltd ) and 1 year in Gujarat State Fertilizer and Chemicals Ltd (GSFC)
Number of equity shares held in the Company	NIL	NIL
Remuneration last drawn	NIL	NIL
Remuneration proposed to be paid	NIL	NIL
Relationship with other Directors/ KMP	NIL	NIL
No of meetings of the Board attended during the financial year	NA	NA



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List of Companies in which outside Directorship held as on 31.03.2023	Mumbai Metro Rail Corporation Limited	NIL
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### **Item No. 6**

**To approve the alteration of Articles of Association (“AOA”) of the Company by way of insertion of an Article with respect to appointment of person nominated by Debenture Trustee(s) as a director**

Securities and Exchange Board of India (“SEBI”) had notified SEBI (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2023 on 2<sup>nd</sup> February, 2023 and inserted sub-regulation (6) to regulation 23, pursuant to which every Company having its Non-convertible Securities listed with any recognised stock exchange shall ensure that “*AoA of the Company require its Board of Directors to appoint the person nominated by the debenture trustee(s) in terms of clause (e) of sub-regulation (1) of regulation 15 of the SEBI (Debenture Trustees) Regulations, 1993 as a director on its Board of Directors*”. Further, as per said regulation, Companies are required to amend their existing AoA on or before 30<sup>th</sup> September, 2023. Regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993 provides that Debenture Trustee(s) have right to appoint a nominee director on the Board of the company in the event of (i) two consecutive defaults in payment of interest to the debenture holders; or (ii) default in creation of security for debentures; or (iii) default in redemption of debentures.

In order to comply with the above mentioned requirements, it is proposed to alter existing AoA by inserting new Article No. 174A with reference to the appointment of person nominated by Debenture Trustee(s) as a director on the Board of the Company. Therefore the Board of Directors of the Company in their meeting held on May 26, 2023 has considered and approved the proposal to alter existing AoA by inserting new Article No. 174A with reference to the appointment of such person nominated by Debenture Trustee(s) as a director. Further as per the provisions of Section 14 of the Companies Act, 2013, alteration of AoA requires the approval of Members by way of Special Resolution. Therefore, the Board recommends the resolution for the approval of the Members.

The draft of the new set of Articles of Association proposed for approval is being circulated along with this notice of the Meeting and also available for inspection by the shareholders of the Company during normal business hours at the registered office of the Company and also at the place of the meeting on the meeting day.

# GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

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None of the directors, managers, key managerial personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise in the special resolution except to the extent of their shareholding in the Company.

**By Order of the Board of Directors**

**For Gujarat Road and Infrastructure Company Limited**

Date: May 26, 2023

Place: Mumbai



**Ankit Sheth**  
Company Secretary

Registered Office:

Office of the Secretary, Roads & Buildings Department,

Block 14, Second Floor, Sachivalaya— 382 010,

Gandhinagar, Gujarat, India

CIN U65990GJ1999PLC036086

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## Route map of the Venue of 24<sup>th</sup> Annual General Meeting



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## ATTENDANCE SLIP

Regd. Folio No./DP Id No./Client Id No.*	
No. of Shares held	
Name and Address of the First Shareholder (IN BLOCK LETTERS) (Applicable for investor holding shares in electronic form.)	
Name of the Joint holder (if any)	

I/we hereby record my/our presence at the Annual General Meeting of the Members of Gujarat Road and Infrastructure Company Limited's held on Wednesday 1<sup>st</sup> September, 2021 at 2.00 P.M. at Conference Room, Project Implementation Unit, Nirman Bhavan, Gandhinagar- 382010, Gujarat.

Member's/Proxy's Name in Block Letters

Member's/Proxy's Signature

Notes: Please fill up this attendance slip and hand it over at the entrance of the venue of meeting.

-----Please tear here-----  
-----

## Form No. MGT-11

### Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)	
Registered Address	
E-mail Id	
DPID*	
Folio No/Client Id*	

\* Applicable for investors holding shares in electronic form.

I/We being the member(s) of the above named Company hereby appoint:

S.No.	Name	Address	Email address	
1				or failing him
2				or failing him
3				or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company to be held on Wednesday 5<sup>th</sup> July, 2023 at 2.00 P.M at the Conference Room, Project Implementation Unit, Nirman Bhavan, Gandhinagar- 382010. Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolution	For	Against
1	To receive, consider and adopt the Standalone Financial Statements of the Company for the financial year ended 31st March, 2023 and the Reports of the Board of Directors and the Auditors		
2	To appoint a Director in place of Mr. Pranab Jyotiprakash Nanda (DIN: 05329993), who retires by rotation and being eligible, offers herself for re-appointment		
3	To appoint a Director in place of Mr. Pavneet Singh Sethi (DIN: 07919519), who		

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	retires by rotation and being eligible, offers himself for re-appointment		
4	To appoint Abodh Khandelwal (DIN: 07807394) as an Independent Director		
5	To appoint Mr. Tushar S. Bhatt (DIN: 00008101) as an Independent Director		
6	To Alter the Article of Associations of the Company		

Signed this.....day of..... 2023

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix  
Revenue  
Stamp not  
less than  
Rs.1

Note:

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting.
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate

# GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

301, Shapath - 1, Opp. Rajpath Club, Sarkhej-Gandhinagar Highway, Bodakdev, Ahmedabad – 380 015

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[www.gricl.com](http://www.gricl.com)

## DIRECTORS' REPORT

To,  
The Members,  
Gujarat Road and Infrastructure Company Limited

Your Directors have pleasure in presenting the 24<sup>th</sup> (Twenty Fourth) Annual Report together with the Audited Accounts for the year ended March 31, 2023.

### 1. FINANCIAL RESULTS

The Company earned total revenues of INR 38,005.54 Lakhs during the financial year 2022-23 by the way of toll and other income from the Ahmedabad Mehsana Road Project and Vadodara Halol Road Project. The financial results of the Company are as under:

Particulars	F.Y. 2022-23	F.Y. 2021-22
	(INR Lakhs)	(INR Lakhs)
Income	38,005.54	22,758.58
Expenses	10,404.94	11,045.12
Profit Before Taxes	27,600.60	11,713.46
Provision for Taxation	8,076.16	915.18
Profit / (Loss) After Taxes	19,524.44	10,798.28
Other Comprehensive Income	(3.27)	1.74
Total Comprehensive Income	19,521.17	10,800.02

### 2. NON CONVERTIBLE DEBENTURE

The Company had issued 3000 rated, listed, secured Non Convertible Debentures of face value of INR 10 lakhs each aggregating INR 300 Crore on private placement basis during financial year 2016-17. During the year, the Company had redeemed 250 rated, listed, Secured Non Convertible Debentures of face value of INR 10 lakhs each aggregating INR 25 Crores as per terms and conditions of the said NCDs.

### 3. STATE OF COMPANYS' AFFAIRS AND OPERATIONS

During the year under review, the Company's operations have shown a increase in net cash flows as compared to previous year. There have been no major user complaints received for either of the road projects of the Company. The Company had implemented the FAST Tag System on both Projects in the month of May 2022.

The Government of Gujarat had implemented its decision to grant exemption to car/jeep/van/two wheelers/ three wheelers and passenger buses owned by GSRTC w.e.f August 15, 2016 on all State Highways. As per the said decision, the Company shall be compensated by the Government of Gujarat in this regards. The Government of Gujarat has constituted a Committee for finalizing the methodology of compensation. During the year, the Government of Gujarat had issued a letter in respect of finalization of Methodology of compensation. The Company had submitted its revised claim according to said Order. The Company has received compensation payment upto February 2023.



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CIN U65990GJ1999PLC036086

### **VADODARA HALOL ROAD PROJECT**

During the year under review, the Company had collected the work of toll collection by appointing the agency, inviting through tender.

The routine maintenance is carried out at the Project on a regular basis and is in accordance with the stipulations under the Concession Agreement.

### **4. AHMEDABAD MEHSANA ROAD PROJECT**

During the year under review, the Company had collected the work of toll collection by appointing the agency, inviting through tender.

The routine maintenance is carried out at the Project on a regular basis and is in accordance with the stipulations under the Concession Agreement.

### **5. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year under review, following changes have occurred in the Board.

#### **Appointment/Cessation of Directors**

- IL&FS Transportation Networks Limited (ITNL) vide its letter dated September 6, 2022 had nominated Mr. Dilip Lalchand Bhatia and Ms. Priya Prempal Shetty as an Nominee Directors of ITNL on the Board of the Company with effect of November 14, 2022
- The Government of Gujarat vide its Resolution has withdrawn nomination of Mr. Kiritkumar Maganlal Patel w.e.f. March 1, 2023 and nominated Mr. Chandrakant Parbhubhai Patel in his place as a Nominee Director of Government of Gujarat w.e.f. March 1, 2023.
- The tenure of Mr. Yagnesh Desai and Mr. Ravi Kapoor as an Independent Directors has been completed on March 27, 2023. As per recommendation by the Nomination and Remuneration Committee of the Company in its meeting held on March 23, 2023 and on the basis of recommendation of the Nomination and Remuneration Committee, the Board has appointed Mr. Abodh Khandelwal and Mr. Tushar Shankerlal Bhatt as an Independent Directors w.e.f March 28, 2023 for a period of one year subject to the approval of the Members.

The Independent Directors have given declarations confirming eligibility for considering their appointment as such in terms of the provisions contained in Section 149(6) of the Companies Act, 2013. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

The Board is of opinion that the Independent directors being appointed hold adequate integrity, expertise and experience including proficiency Mr. Abodh Khandelwal and Mr. Tushar Bhatt have sound knowledge and experience and their continued association would be beneficial to the



**GRICL**

CIN U65990GJ1999PLC036086

Company. The Board, therefore recommends their appointment for a period of 1 (one) year w.e.f. March 28, 2023 to Members for their approval in the ensuing Annual General Meeting and resolution seeking appointment forms part of the Notice.

In terms of the provisions of the Act, and Articles of Association of the Company, Mr. Pranab Jyotiprakash Nanda and Mr. Pavneet Singh Sethi, Directors retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

There was no change in key managerial personnel during the year under review.

## **6. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

The Policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013 is available on our website [www.gricl.com](http://www.gricl.com).

The salient features of the Policy are:

- It sets out the Criteria for Selection of Directors and the manner of performance evaluation of entire Board including Independent and Non Independent Directors.
- It lays down the Remuneration pattern for Whole-time, Non-Executive Directors, Key Management Personnel and Senior Management
- It also lays down Role of the Nomination and Remuneration Committee.
- There has been no change in the policy since last fiscal.

## **7. CORPORATE GOVERNANCE:**

The Company strives to adopt the highest standards of excellence in Corporate Governance. The Company has consistently been adopting good Corporate Governance norms for the past several years for the efficient conduct of its business and meeting its obligations towards all its stakeholders.

### **➤ Composition of the Board of Directors as on 31.03.2023**

Category	Number of Directors
Non-Executive Directors	9
Independent Directors	2

The Chairman of the Board is a Non-Executive Director.

- A total Five of Board Meetings were held during the year 2022-23 on the May 23, 2022, August 8, 2022, November 14, 2022, February 9, 2023 and March 24, 2023. The Attendance of the Directors is as under:



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Sr. No.	Name of Directors	No. of Board Meeting held during his/her tenure	Meetings Attended
1	Mr. Sandeep Bhanubhai Vasava	5	4
2	Mr. Kiritkumar Maganlal Patel (Resigned w.e.f March 1, 2023)	4	4
3	Mr. Ashutosh Navnitbhai Mistry	5	5
4	Mr. Pranab Jyotiprakash Nanda	5	5
5	Mr. Deep Gupta	5	5
6	Mr. Abhishek Poddar	5	1
7	Mr. Pavneet Singh Sethi	5	5
8	Mr. Ravi Kapoor (Cessation w.e.f March 27, 2023)	5	5
9	Mr. Yagnesh Desai (Cessation w.e.f March 27, 2023)	5	5
10	Mr. Dilip Lalchand Bhatia (Appointed w.e.f November 14, 2022)	3	3
11	Ms. Priya Prempal Shetty (Appointed w.e.f November 14, 2022)	3	3
12	Mr. Chandrakant Parbhubhai Patel (Appointed w.e.f March 1, 2023)	1	1

➤ **AUDIT COMMITTEE**

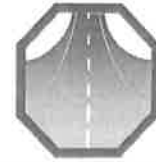
The Board of Directors has duly constituted the Audit Committee in terms of Section 177 of the Companies Act, 2013. The Audit Committee comprises of Mr. Abodh Khandelwal, Mr. Tushar Bhatt and Mr. Deep Gupta. The Board in its meeting held on March 24, 2023 has reconstituted Audit Committee by inducting Mr. Abodh Khandelwal and Mr. Tushar Bhatt as the Committee Members in place of Mr. Yagnesh Desai and Mr. Ravi Kapoor. The Committee had four meetings during the year under review, on April 22, 2022, May 9, 2022, May 21, 2022, August 5, 2022, November 7, 2022 and February 8, 2023.

➤ **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee was duly constituted in terms of Section 178 of the Companies Act, 2013 and comprises of Mr. Abodh Khandelwal, Mr. Tushar Bhatt and Mr. Pavneet Singh Sethi, The Board in its meeting held on March 24, 2023 has reconstituted Nomination and Remuneration Committee by inducting Mr. Abodh Khandelwal and Mr. Tushar Bhatt. During the year under review meeting of the Committee was held on March 23, 2023.

➤ **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The Corporate Social Responsibility Committee was duly constituted as per the provision of Section 135 of the Companies Act, 2013 and comprising Mr. Abodh Khandelwal, Mr. Ashutosh Mistry and Pavneet Singh Sethi. The Board in its meeting held on March 24, 2023 has reconstituted Corporate Social Responsibility Committee by inducting Mr. Abodh Khandelwal in place of Mr. Yagnesh Desai. During the year, there was meeting held on May 21, 2022.



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## **8. RELATED PARTY TRANSACTIONS**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 during the financial year under review were in the ordinary course of business and on an arms length basis. There were no materially significant transactions with related parties during the financial year. Hence, disclosure as required in the Form AOC-2 is not attached with this Report.

## **9. SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

## **10. DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of provisions of Section 134(5) of the Companies Act, 2013, your Directors based on the representations received from the Operating Management confirm that:

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

## **11. CORPORATE SOCIAL RESPONSIBILITY**

In accordance with the requirement laid down under Section 135 of the Companies Act, 2013 and the rules made there under, the terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises of the following:



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-To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;

-To provide guidance on various CSR activities to be undertaken by the Company, to recommend the amount of expenditure to be incurred on those activities and to monitor its progress.

The report inter alia containing the salient features of CSR policy as per the format prescribed under the CSR Rules is annexed as 'Annexure A' to this Report

## **12. ENERGY CONSERVATION, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

The Company does not carry on any manufacturing activities hence particulars with regard to energy conservation, technology absorption are not applicable the Company. The Company has not incurred any foreign exchange expenditure on account of foreign travel during the year under review. The Company does not have Foreign Exchange Earning & Outgo during the Year.

## **13. MATERIAL CHANGES BETWEEN THE DATES OF THE END OF FINANCIAL YEAR AND BOARD'S REPORT**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

## **14. DEPOSIT**

During the year under review, the Company has neither accepted nor renewed any deposits as per provisions Section 73 of the Companies Act, 2013 and therefore details mentioned in Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014 relating to deposits is not required to be given.

## **15. STATUTORY AUDITORS**

The Company at the 23<sup>rd</sup> (Twenty Third) Annual General Meeting (AGM) for the financial year 2021-22, held on August 2, 2022 for financial year 2021-22 had re-appointed M/s. S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003), Ahmedabad as Statutory Auditors of the Company to hold office from the conclusion of 23<sup>rd</sup> Annual General Meeting (AGM) till the conclusion of the 28<sup>th</sup> AGM of the Company.

## **16. STATUTORY AUDITORS' REPORT**

The Statutory Auditors' Reports on Financial Statements for the financial year 2022-23 are unqualified. The emphases on matters made by the Auditors are adequately covered in the Notes to the said financial statements. The Notes to the accounts referred to in the Auditors' Reports are self-explanatory and do not call for any further clarifications under section 134(3)(f) of the Act.



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## **17. SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s. PRT & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report dated May 26, 2023 is annexed herewith 'Annexure B'.

## **18. COST AUDITOR**

The Company is required to maintain cost records as specified u/S 148 of the Act and accordingly such accounts and records are made and maintained by the Company. Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the cost audit record maintained by the Company is required to be audited. The Board of Directors, on the recommendation of the Audit Committee, appointed M/s. Ashish Bhavsar & Associates, Cost Accountants, Ahmedabad for conducting the cost audit of the Company for Financial Year 2022-23, Financial Year 2023-24 and Financial Year 2024-25.

## **19. ANNUAL RETURN**

Pursuant to Section 92 (3) read with Section 134(3)(a) of the Companies Act, 2013, the Annual Return as on March 31, 2022 is available on the Company's website [www.gricl.com](http://www.gricl.com).

## **20. CREDIT RATING:**

The Credit Ratings of the debt instruments of the Company during the financial year 2022-23 are given below:

<b>Rating Agency</b>	<b>Date of letter of Rating Agency</b>	<b>Rating</b>
CARE Ratings Limited	September 9, 2022	AAA (Stable)
ICRA Limited	March 29, 2023	AAA (Stable)

## **21. DISCLOSURE UNDER THE SEXUAL HARRESEMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION, REDRESSAL) ACT, 2013**

The Company has adopted the policy on Prevention of Sexual Harassment at work place in compliance with the requirements under the Sexual Harassment of Women at work place (Prevention, Prohibition, Redressal) Act, 2013. The Internal Compliant Committee (ICC) has been set up to redress the complaints under the Policy. During the year under review, the Company has not received any complaint under the Policy.

## **22. VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

In accordance with the provisions of the Companies Act, 2013, the Company has established a vigil mechanism by adopting a Whistle Blower Policy for the directors and employees to report genuine concerns or grievances.



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The administration of the vigil mechanism is being done through Audit Committee.

We confirm that during the financial year 2022-23, no employee of the Company was denied access to the Audit Committee.

**23. INTERNAL FINANCIAL CONTROL SYSTEM WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company had implemented an internal control framework (ICF) covering various aspects of the business which enables a stage-wise/process-wise confirmation of the compliance of the control self-assessment to be provided by the maker and reviewer of transactions and also facilitates audit, both at the Corporate and at the project levels. The internal audit is carried out by a firm of Chartered Accountants using the ICF and they report directly to the Audit Committee of the Board of Directors. The Corporate Audit function plays a key role with an objective view and reassurance of the overall control systems. The ICF is periodically modified so as to be consistent with operating changes for improved controls and effectiveness of internal control and audit.

The Internal Auditor's scope and authority are derived from the Internal Audit Plan, which is approved by the Audit Committee. The plan is modified from time to time to meet requirements arising from changes in law as well as out of the improved controls resulting from the implementation of the ICF. Internal audits are conducted every quarter and covers operations, accounting, RPT and administration functions. It also provides special reference to compliance based on the audit plan. Internal audit reports are placed before the Audit Committee at regular intervals for review discussion and suitable action.

**24. PARTICULAR OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013**

The Company has not provided any loan or given any guarantee or provide any security in connection with a loan or made any investments during the year under review.

**25. BOARD EVALUATION**

The formal annual evaluation of performance of the board, its committees and individual directors has been carried out in terms of the provisions of Section 178 (2) of the Companies Act, 2013. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The performance evaluation of the Directors, the Board and its Committees was carried out by the Independent Directors on the basis of criteria/manner recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

The performance evaluation of the Independent Directors was also carried out by the entire Board. Your directors express their satisfaction with the evaluation process.



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## **26. RISK MANAGEMENT**

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. There are no risks which in the opinion of the Board affect the Company operations on a going concern basis.

The Board periodically reviews the risks and measures are taken for mitigation.

## **29. SIGNIFICANT AND MATERIAL ORDERS**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operation in future.

## **30. ACKNOWLEDGEMENTS**

The Board of Directors place on record the continued and invaluable support received from Government of Gujarat, Financial Institutions and other stakeholders of the Company.

**For and on behalf of the Board,**

**Deep Gupta**  
**Director**  
**DIN: 07222383**

**Pavneet Singh Sethi**  
**Director**  
**DIN: 07919519**

Date: May 26, 2023

Place : Mumbai

## **ANNEXURE 'A' TO BOARD REPORT**

### **Format For The Annual Report on CSR Activities to be Included in the Board's Report For Financial Year 2022-23**

#### **1. Brief outline on CSR Policy of the Company.**

The CSR Policy of the Company recognizes the Company's commitment towards holistic welfare of the Society by undertaking CSR activities within the ambit of Schedule VII of the Companies Act, 2013 ("the Act"), as amended from time to time.

The Company is undertaking various CSR Activities in the area of Promotion of Health and Social Welfare, Water Conservation, Promotion of Preventive Health measure and Sanitation. The Company implements CSR Projects directly as per inhouse policy of the Company relating to works, for which it has awarded work to third parties executing the work under the supervision and control of the Company and through implementing agency

#### **2. Composition of CSR Committee:**

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation / Nature of Directorship</b>	<b>Number of meetings of CSR Committee held during the year*</b>	<b>Number of meetings of CSR Committee attended during the year*</b>
1	Mr. Yagnesh Desai (Ceased w.e.f March 27, 2023)	Independent Director	1	1
2	Mr. Ashutosh Mistry	Non-executive Director	1	1
3	Mr. Pavneet Singh Sethi	Non-executive Director	1	1
4	Mr. Abodh Khandelwal (inducted w.e.f March 28, 2023)	Independent Director	0	0

\*No. of CSR Committee Meetings mentioned against each members refers to the CSR committee meetings held during his association as member of the CSR Committee.

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: [www.gricl.com](http://www.gricl.com)**

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).- Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : Not Applicable

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1			
2			
3			
	<b>Total</b>		

6. Average net profit of the company as per section 135(5). – Rs. 89.08 Crore

7. (a) Two percent of average net profit of the company as per section 135(5) – Rs.1.78 Crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – Not Applicable

(c) Amount required to be set off for the financial year, if any – Not Applicable

(d) Total CSR obligation for the financial year (7a+7b-7c) – Rs. 1.78 Crore

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
1,84,80,421	NA	NA	NA	NA	NA



(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.												
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR registration number.
1.	School Infrastructure Development	(i)	Yes	Vadodara, Panchmahal, Mehsana, Gandhinagar District, Gujarat		18,70,730	Yes	NA	NA
2.	Construction and Renovation of Class Rooms	(ii)	Yes	Mehsana District, Panchmahal District Gujarat		1,51,98,221	Yes	NA	NA
3	Constructio	(i)	Yes	Mehsana		8,40,396	Yes	NA	NA



							(in Rs.)	
1								
2								
3								
	Total							

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year : Not Applicable (asset-wise details).**

**(a) Date of creation or acquisition of the capital asset(s) : None**

**(b) Amount of CSR spent for creation or acquisition of capital asset. : None**

**(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : Not Applicable**

**(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : Not Applicable**

**11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). : Not Applicable**



Director



Chairman of CSR Committee



# PRT & ASSOCIATES

## COMPANY SECRETARIES

FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31<sup>st</sup> March, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Gujarat Road and Infrastructure Company Limited**  
Office of the Secretary to the Govt. of Roads and Building,  
Gandhinagar – 382010, Gujarat, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gujarat Road and Infrastructure Company Limited (CIN: U65990GJ1999PLC036086)** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the **financial year 2022-23 i.e. from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Audit period according to the provisions of:

- The Companies Act, 2013 ('**the Act**') and the rules made there under;





- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 *(the Company being a debenture listed company, provisions of this Regulation are not applicable to the Company);*
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 *(the Company being a debenture listed company, provisions of this Regulation are not applicable to the Company);*
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 *(the Company being a debenture listed company, provisions of this Regulation are not applicable to the Company);*
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - f) The Securities and Exchange Board of India (Registrar to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 *(the Company being a debenture listed company, provisions of this Regulation are not applicable to the Company);* and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 *(the Company being a debenture listed company; provisions of this Regulation are not applicable to the Company).*

We report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the Contract Labour (Regulation & Abolition) Act, 1970 and rules and regulations made thereunder which is specifically applicable to the Company.





For the purpose of other laws as may be applicable specifically to the Company, we have relied on the representations made by the Company and its officers for systems and mechanisms formed by the Company for compliance under other laws as may be applicable specifically to the Company and verification of document and records on test-check basis.

**We have also examined compliance with the applicable clauses of the following:**

- i) Secretarial Standards (SS-1 for Meetings of the Board of Directors & SS-2 for General Meetings) issued by the Institute of Company Secretaries of India; and
- ii) The Listing Agreement entered into by the Company with the National Stock Exchange of India Limited and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above.

**We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during Audit Period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance. other than those held at shorter notice for which necessary consents have been sought at the meeting and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the Board meetings and Committee Meetings are carried through unanimously as recorded in the Minutes of meeting of Board of directors or Committees of the Board, as the case may be.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the Audit period, the Company has redeemed 250 Non-Convertible Debentures of Face value of Rs. 10 Lacs each redeemed at price of Rs. 10 Lacs each aggregating to Rs. 25 Crores.

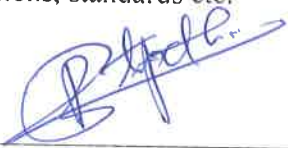




**We further report that** during the Audit period, other than events mentioned herein above the Company had no specific events/actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards etc.

**Place:** Ahmedabad  
**Date:** 26/05/2023



  
Premnarayan Tripathi, Proprietor  
PRT & Associates, Company Secretaries  
FCS: 8851  
COP: 10029  
UDIN: F008851E000359289  
PR:3273/2023

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





Annexure A

To,  
The Members,  
**Gujarat Road and Infrastructure Company Limited**  
Office of the Secretary to the Govt. of Roads and Building,  
Gandhinagar – 382010, Gujarat, India

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

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

**Place:** Ahmedabad  
**Date:** 26/05/2023



**Premnarayan Tripathi, Proprietor**  
**PRT & Associates, Company Secretaries**  
**FCS: 8851**  
**COP: 10029**  
**UDIN: F008851E000359289**  
**PR:3273/2023**



**INDEPENDENT AUDITOR'S REPORT**

To the Members of Gujarat Road and Infrastructure Company Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Gujarat Road and Infrastructure Company Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein referred to as financial statement).

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

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.



Key audit matters	How our audit addressed the key audit matter
<p><b><u>Revenue from Toll Collection Right under Service Concession Arrangement (as described in note 3.6 of these financial statements)</u></b></p>	
<p>The Company has two Build, Own, Operate and Transfer (BOOT) assets of road infrastructure i.e., Ahmedabad Mehsana Road Project ('AMRP') and Vadodara Halol Road Project ('VHRP') under the concession agreement with Government of Gujarat (GoG) which falls within the scope of appendix C of Ind AS 115, Service Concession Arrangements. Under the concession agreement, the company operates and earns revenue by collecting toll on the road constructed. This involves large volume of cash collection and use of technology, specifically, customized equipment installed at the toll plaza for correctly identifying vehicle type, calculating fare and for appropriate billing and collection.</p> <p>This is a key audit matter considering the nature and volume of transaction.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the processes, evaluated the key controls around such process and control placed for toll collection process and tested those controls for the operating effectiveness.</li> <li>• Involved expert to test a selection of Information Technology General Controls (ITGCs) and application controls of the tolling systems' operation, including access, operations and change management controls.</li> <li>• Obtained and tested reconciliation of toll collected as per transaction report (generated from toll system) with cash deposited in bank and revenue recorded in the books.</li> <li>• Tested the rationalisation done by management by multiplying that toll rate charged for each category of vehicle as per GoG's notification with the number of vehicles as per transaction report and its reconciliation with the revenue recognized.</li> <li>• On test check basis, traced the daily collection from bank statement to daily cash toll collected and the revenue recognized.</li> <li>• Performed analytical procedures on transactions to detect unusual transactions/trends for further examination, including verification of exemptions and other dispensations allowed.</li> <li>• On test check basis, tested classification of vehicle independently from classification of vehicle independently from stored images and videos recorded by the Company.</li> <li>• Performed revenue cut off procedures.</li> <li>• Assessed the adequacy of the disclosure made by the company relating to the revenue.</li> </ul>
<p><b><u>Compensation for Toll exempted by Government of Gujarat (as described in note 19 of the Ind AS financial statements)</u></b></p>	
<p>Government of Gujarat (GoG) issued a letter dated August 12, 2016 informing the Company about its decision to grant exemption from August 15, 2016 to Car/ Jeep/ Van/ 2 Wheeler/ 3 Wheeler and passenger buses owned by Gujarat State Road Transport Corporation Ltd. from payment of Toll fee for Build, Own, Operate and Transfer (BOOT) assets of the Company.</p> <p>GoG vide letter dated August 6, 2020 and amended letter dated October 23, 2020 proposed certain modalities for compensating loss suffered by the</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the basis and the calculation of the claim against the Toll exemption.</li> <li>• Obtained and read the supporting documents related to the claim including GoG letter for the proposed modality.</li> <li>• Inquired the status of the claim with management and also obtained and read communication received from the Government of Gujarat on the matter.</li> <li>• With respect to claim received for earlier period, obtained final approval letter from the GOG and reconciled the approved claim amount with claim filed by the management and revenue recognized during the year.</li> </ul>



Key audit matters	How our audit addressed the key audit matter
<p>Company due to above exemption. Further, the Company has also received final approval letter dated March 29, 2023.</p> <p>Based on the modality proposed and approved by the GOG during the previous year, the Company has recognised revenue for the current year and further based on final approval recognized revenue for the exempted period from August 2016 to June 2021.</p> <p>The accounting of the above claim is considered as key audit matter, considering the amount involved and its impact on the financial statement.</p>	<ul style="list-style-type: none"> <li>• Assessed the adequacy of the disclosure made by the company in relation to this matter. the revenue recognition to the approved lease agreements with the customers.</li> <li>• Traced the amount realized from government against the claim filed by the company during the year as well as revenue recognized fir earlier years from the bank statement.</li> </ul>
<p><b><u>Recoverability of unutilized Minimum Alternate Tax (MAT) credits included under deferred tax assets (as described in note 3.12 and 26 of the Ind AS financial statements)</u></b></p>	
<p>As of March 31, 2023, the Company has recognized MAT credits of Rs. 7,979.33 lakhs included under deferred tax assets that can be utilized against future tax liabilities.</p> <p>The analysis of the recoverability of such deferred tax assets has been identified as a key audit matter because the assessment process involves judgement regarding the future profitability and the likelihood of the realization of these assets, in particular whether there will be taxable profits in future periods that support the recognition of these assets. This requires assumptions regarding future profitability, which is inherently uncertain. Accordingly, the same is considered as a key audit matter.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the process followed by the management for preparation of the future taxable income to support the recognition of MAT credit asset.</li> <li>• Validated the key assumptions and inputs used to estimate the future taxable profits. Also checked consistency of those projections with those used in other areas of estimation such as those used for Annual Budget of the Company.</li> <li>• We assessed the inputs and assumptions around the key drivers of the future taxable income against historical performance, expected growth rates, discounting rate, economic and industry indicators;</li> <li>• Evaluated the MAT credit utilisation based on above future taxable income and assessed that the same is utilised within the time limit prescribe under the tax laws.</li> <li>• Tested the completeness and accuracy of the MAT credits recognized as deferred tax assets.</li> <li>• Assessed the adequacy of the related disclosure in note 26 to the Ind AS financial statements.</li> </ul>

## Other Information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.





## **Responsibilities of Management for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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

## **Auditor's Responsibilities for the Audit of the 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 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 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2023 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;



- (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in “Annexure 2” to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 44(B) to the financial statements, 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 person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 14 to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such 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 (a) and (b) contain any material misstatement.
  - v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.



# **SRBC & CO LLP**

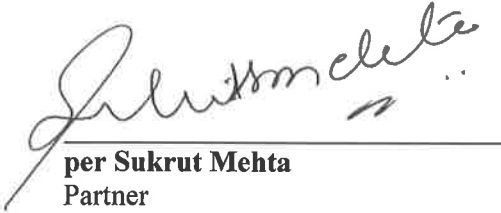
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- vi. As proviso to rule 3(1) of the companies (accounts) rules, 2014 is applicable for the company only w.e.f April 1, 2023 reporting under this clause is not applicable.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



per **Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 23101974BGUFMF6846

Place of Signature: Ahmedabad

Date: May 26, 2023



**Annexure 1 referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements of our report of even date of Gujarat Road and Infrastructure Company Limited for the year ended March 31, 2023.**

**Re: Gujarat Road and Infrastructure Company Limited**

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets;
- (b) Property, Plant and Equipment have been physically verified by the management during the year which in our opinion is reasonable considering the nature and size of its assets and no material discrepancies were identified on such verification.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee for rights under the Concession agreement with Government of Gujarat (GoG) and the agreement is duly executed in favour of the company) disclosed in note 5 to the financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the requirements under clause 3(i)(e) of the Order are not applicable to the Company.
- (ii) (a) The Company is in the business of development, construction as well as operation & maintenance of road infrastructure projects, which does not require it to hold any inventory. Accordingly, the requirements under clause 3(ii)(a) of the Order are not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.





- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of section 185 of the Companies Act, 2013 is applicable and accordingly, the requirement to report on clause 3(iv) of the Order with respect to section 185 of the Companies Act, 2013 is not applicable to the Company. According to the information and explanations given to us, the Company is engaged in the business of providing infrastructural facilities and accordingly the provisions of section 186 (except subsection (1) of section 186) of the Companies Act, 2013 are not applicable to the Company. According to the information and explanations given to us, the Company has not made investments referred to in Section 186(1) of the Companies Act, 2013. Accordingly, the requirement to report on clause 3(iv) of the Order to this extent is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the development, construction as well as operation & maintenance of road infrastructure projects, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- b) There are no dues of goods and services tax, provident fund, employees' state insurance, duty of customs, cess, and other statutory dues have not been deposited on account of any dispute, except for income-tax as follows:



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<b>Name of the statute</b>	<b>Nature of the dues</b>	<b>Amount (INR in Lakhs)</b>	<b>Period to which the amount relates</b>	<b>Forum where the dispute is pending</b>
The Income Tax Act, 1961	Income Tax	225.33	AY 2012-13	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	675.50	AY 2013-14 and 2014-15	Gujarat High Court
The Income Tax Act, 1961	Income Tax	2,223.93	AY 2020-21	Commissioner of Income Tax (Appeals)

Apart from above, during previous year the Company has deposited INR 179.72 lakhs with tax authorities although the same have been disputed with the tax authorities.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.



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- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year. The Company has not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 44 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions,



# **S R B C & CO LLP**

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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 Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 40 to the financial statements.

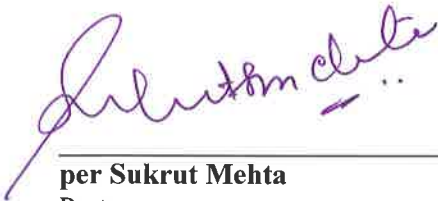
(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 40 to the financial statements.

(xxi) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(xxii) of the Order is not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



**per Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 23101974BGUFMF6846

Place of Signature: Ahmedabad

Date: May 26, 2023



**Annexure 2 to the independent auditor's report of even date on the financial statements of Gujarat Road and Infrastructure Company 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 with reference to the financial statements of Gujarat Road and Infrastructure Company Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

**Meaning of Internal Financial Controls with Reference to these Financial Statements**

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable



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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 with Reference to these Financial Statements**

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

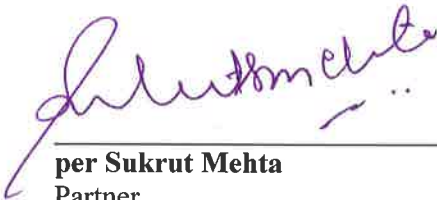
## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to financial statements 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 issued by the ICAI.

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



**per Sukrut Mehta**

Partner

Membership Number: 101974

UDIN: 23101974BGUFMF6846

Place of Signature: Ahmedabad

Date: May 26, 2023





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**

Balance Sheet as on March 31, 2023

(INR in Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipments	5	949.81	829.63
Intangible assets	6	37,220.84	41,275.42
Financial assets			
(i) Other financial assets	10	18.96	18.63
Deferred tax assets (net)	26	2,340.06	5,593.84
Non-current tax assets	11	873.92	667.83
Other non-current assets	11	-	138.91
<b>Total Non-current Assets</b>		<b>41,403.59</b>	<b>48,524.26</b>
<b>Current Assets</b>			
Financial assets			
(i) Investments	7	3,429.80	3,247.51
(ii) Trade receivables	8	2,602.37	2,313.79
(iii) Cash and cash equivalents	9	10,224.59	2,772.61
(iv) Bank balances other than (iii) above	9	20,684.00	9,765.19
(v) Other financial assets	10	421.64	105.76
Other current assets	11	119.39	117.46
<b>Total Current Assets</b>		<b>37,481.79</b>	<b>18,322.32</b>
<b>Total Assets</b>		<b>78,885.38</b>	<b>66,846.58</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	5,546.23	5,546.23
Other equity	13	54,603.24	40,628.30
<b>Total equity</b>		<b>60,149.47</b>	<b>46,174.53</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	14	10,855.72	13,301.97
Provisions	15	2,623.81	1,306.08
Other non-current liabilities	18	351.86	361.58
<b>Total Non-current Liabilities</b>		<b>13,831.39</b>	<b>14,969.63</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings		2,446.25	2,438.14
(ii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises	16	24.01	128.77
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	16	677.51	775.05
(ii) Other financial liabilities	17	660.31	721.30
Provisions	15	986.42	1,534.83
Other current liabilities	18	110.02	104.33
<b>Total Current Liabilities</b>		<b>4,904.52</b>	<b>5,702.42</b>
<b>Total Liabilities</b>		<b>18,735.91</b>	<b>20,672.05</b>
<b>Total Equity and Liabilities</b>		<b>78,885.38</b>	<b>66,846.58</b>

Summary of significant accounting policies

3

The accompanying notes form an integral part of these financial statements.

As per our report of even date.

For S R B C &amp; CO LLP

Chartered Accountants

Firm Registration No.: 324982E/E300003

For and on behalf of the Board of Directors of  
Gujarat Road and Infrastructure Company Limited  
(CIN No: U65990GJ1999PLC036086)per Sukrut Mehta  
Partner  
Membership No. 101974Deep Gupta  
Director  
DIN: 07222383Pavneet Singh Sethi  
Director  
DIN: 07919519Praveen Vasant  
Chief Executive OfficerParimal Mistry  
Chief Financial OfficerAnkit Sheth  
Company SecretaryDate : May 26, 2023  
Place : AhmedabadDate : May 26, 2023  
Place : Mumbai



# GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

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

(INR in Lakhs)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
<b>I. INCOME</b>			
Revenue from operations	19	36,811.80	22,019.69
Other income	20	1,193.74	738.89
<b>Total Income</b>		<b>38,005.54</b>	<b>22,758.58</b>
<b>II. EXPENSES</b>			
Operating expenses	21	3,177.58	5,160.58
Employee benefits expenses	22	474.16	448.66
Finance costs	23	1,674.44	1,801.77
Depreciation and amortisation	5 & 6	4,262.93	2,639.24
Other expenses	24	815.83	994.87
<b>Total expenses</b>		<b>10,404.94</b>	<b>11,045.12</b>
<b>III. Profit before tax (I - II)</b>		<b>27,600.60</b>	<b>11,713.46</b>
<b>IV. Tax expense / (credit)</b>	26		
Current tax		9,053.64	2,046.58
Deferred tax		(966.41)	(1,131.40)
Adjustment of tax related to earlier years		(11.07)	-
<b>Total tax expenses</b>		<b>8,076.16</b>	<b>915.18</b>
<b>V. Profit for the year (III - IV)</b>		<b>19,524.44</b>	<b>10,798.28</b>
<b>VI. Other Comprehensive (loss) / Income (net of tax)</b>			
<u>Other comprehensive income not to be reclassified to profit or loss in subsequent period</u>			
Remeasurements (losses) / gain on the defined benefit plans (net of tax)	30	(3.27)	1.74
<b>Other comprehensive (loss) / Income for the year (net of tax)</b>		<b>(3.27)</b>	<b>1.74</b>
<b>VII. Total comprehensive income for the year, net of tax (V + VI)</b>		<b>19,521.17</b>	<b>10,800.02</b>
<b>Earnings per share [Face Value INR 10/- per share]:</b>			
Basic and diluted (in INR)	25	35.20	19.47

Summary of significant accounting policies

3

The accompanying notes form an integral part of these financial statements.

As per our report of even date.

**For S R B C & CO LLP**  
**Chartered Accountants**

Firm Registration No.: 324982E/E300003

  
per Sukrut Mehta  
Partner


Membership No. 101974



**For and on behalf of the Board of Directors of**  
**Gujarat Road and Infrastructure Company Limited**  
(CIN No: U65990GJ1999PLC036086)

  
**Deep Gupta**  
Director  
DIN: 07222383

  
**Pavneet Singh Sethi**  
Director  
DIN: 07919519

  
**Praveen Vasant**  
Chief Executive Officer

  
**Parimal Mistry**  
Chief Financial Officer

  
**Ankit Sheth**  
Company Secretary

Date : May 26, 2023  
Place : Ahmedabad

Date : May 26, 2023  
Place : Mumbai







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**

**Statement of Cash Flow for the year ended March 31, 2023**

(INR in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>(A) Cashflows from operating activities:</b>		
Profit before tax	27,600.60	11,713.46
<i>Adjustments to reconcile profit before tax to net cash flows:</i>		
Depreciation and amortisation	4,262.93	2,639.24
Finance costs	1,674.44	1,801.77
Provision for overlay expenses	827.54	2,652.24
Interest income	(845.21)	(355.35)
Profit on sale of units in mutual funds	(182.28)	(113.18)
Liabilities no longer required written back	(0.61)	(7.85)
<b>Operating profit before working capital changes</b>	<b>33,337.41</b>	<b>18,330.33</b>
<b>Movement in working capital:</b>		
(Increase) in trade receivables	(288.57)	(1,914.65)
(Increase) / Decrease in other assets, contract assets and other financial assets	(63.44)	8.19
(Decrease) in trade payables	(201.69)	(777.80)
(Decrease) in other liabilities, contract liabilities and other financial liabilities	(13.55)	(153.76)
(Decrease) in provision	(221.41)	(2,007.01)
<b>Cash generated from operations</b>	<b>32,548.75</b>	<b>13,485.30</b>
Direct taxes (paid) (net)	(5,028.48)	(2,051.62)
<b>Net cash flow generated from operating activities (A)</b>	<b>27,520.27</b>	<b>11,433.68</b>
<b>(B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets (including capital advances and capital creditors)	(241.10)	(423.71)
(Investment in) bank deposits (net)	(10,918.81)	(2,484.89)
Interest received	590.52	361.21
Investment in mutual funds	-	(326.99)
Proceeds from sale of Investment in mutual funds	-	1,127.81
<b>Net cash flow (used) in investing activities (B)</b>	<b>(10,569.39)</b>	<b>(1,746.57)</b>
<b>(C) Cash flows from financing activities</b>		
Repayment of borrowings	(2,500.00)	(2,500.00)
Dividends paid on equity shares	(5,546.23)	(5,546.23)
Finance cost paid	(1,452.67)	(1,614.71)
<b>Net Cash flow (used) in financing activities (C)</b>	<b>(9,498.90)</b>	<b>(9,660.94)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>7,451.98</b>	<b>26.17</b>
Cash and cash equivalents at the beginning of the year	2,772.61	2,746.44
<b>Cash and cash equivalents at the end of the year</b>	<b>10,224.59</b>	<b>2,772.61</b>

The accompanying notes form an integral part of these financial statements.

**Notes:**

**(i) Component of cash and cash equivalents**

	Year ended March 31, 2023	Year ended March 31, 2022
Cash on hand	7.27	58.97
Balance with bank		
- On current accounts	10,217.32	2,713.64
<b>Total</b>	<b>10,224.59</b>	<b>2,772.61</b>


(ii) The cashflow statement has been prepared under indirect method as per Indian Accounting Standard - 7 "Cash Flow Statement".

(iii) Refer Note 14(v) for disclosure under Para 44A as set out as per Indian Accounting Standard - 7 "Cash Flow Statement".

(iv) Figures in brackets represent outflows.


As per our report of even date.  
For **S R B C & CO LLP**  
Firm Registration No.: 324982E/E300003  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Gujarat Road and Infrastructure Company Limited**  
(CIN No: U65990GJ1999PLC036086)

  
per **Sukrut Mehta**  
Partner  
Membership No. 101974



  
**Deep Gupta**  
Director  
DIN: 07222383

  
**Pavneet Singh Sethi**  
Director  
DIN: 07919519



  
**Praveen Vasant**  
Chief Executive Officer

  
**Parimal Mistry**  
Chief Financial Officer

  
**Ankit Sheth**  
Company Secretary

Date : May 26, 2023  
Place : Ahmedabad

Date : May 26, 2023  
Place : Mumbai



**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Statement of Changes in Equity for the year ended March 31, 2023

**A. Equity Share Capital: (Refer note 12)**

Equity shares of INR 10 each issued, subscribed and fully paid	Number of shares	INR in Lakhs
As at April 1, 2022	5,54,62,307	5,546.23
Changes in Equity Share Capital due to prior period errors	-	-
Issued during the year	-	-
As at March 31, 2023	5,54,62,307	5,546.23

As at April 1, 2021	5,54,62,307	5,546.23
Changes in Equity Share Capital due to prior period errors	-	-
Issued during the year	-	-
As at March 31, 2022	5,54,62,307	5,546.23

**B. Other Equity**

**As at March 31, 2023**

Particulars	Equity Component of Compound Financial Instruments (Note 13)	Reserve and surplus				Total
		Capital redemption reserve (Note 13)	Debenture redemption reserve (Note 13)	General reserve (Note 13)	Retained Earnings (Note 13)	
As at April 1, 2022	934.57	3,500.00	1,600.00	2,500.00	32,093.73	40,628.30
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Profit for the year	-	-	-	-	19,524.44	19,524.44
<b>Other comprehensive Income</b>						
Re-measurements (losses) on defined benefit plans	-	-	-	-	(3.27)	(3.27)
<b>Total comprehensive income for the year</b>	-	-	-	-	19,521.17	19,521.17
Less: Final dividend on equity shares	-	-	-	-	(5,546.23)	(5,546.23)
Transferred from debenture redemption reserve (refer Note - 13 (ii))	-	-	(250.00)	250.00	-	-
As at March 31, 2023	934.57	3,500.00	1,350.00	2,750.00	46,068.67	54,603.24

**As at March 31, 2022**

Particulars	Equity Component of Compound Financial Instruments (Note 13)	Reserve and surplus				Total
		Capital redemption reserve (Note 13)	Debenture redemption reserve (Note 13)	General reserve (Note 13)	Retained Earnings (Note 13)	
As at April 1, 2021	934.57	3,500.00	1,265.00	1,875.00	27,799.94	35,374.51
Changes in accounting policy or prior period errors	-	-	-	-	-	-
Profit for the year	-	-	-	-	10,798.28	10,798.28
<b>Other comprehensive Income</b>						
Re-measurements gain on defined benefit plans	-	-	-	-	1.74	1.74
<b>Total comprehensive income for the year</b>	-	-	-	-	10,800.02	10,800.02
Less: Final dividend on equity shares	-	-	-	-	(5,546.23)	(5,546.23)
Transferred from retained earnings (refer Note - 13 (ii))	-	-	960.00	-	(960.00)	-
Transferred from debenture redemption reserve (refer Note - 13 (ii))	-	-	(625.00)	625.00	-	-
As at March 31, 2022	934.57	3,500.00	1,600.00	2,500.00	32,093.73	40,628.30

The accompanying notes form an integral part of these financial statements.

As per our report of even date.

For S R B C & CO LLP

Chartered Accountants

Firm Registration No.: 324982E/E300003

per Sukrut Mehta

Partner

Membership No. 101974



For and on behalf of the Board of Directors of  
Gujarat Road and Infrastructure Company Limited  
(CIN No: U65990GJ1999PLC036086)

Deep Gupta

Director

DIN: 07222383

Praveen Vasant

Chief Executive Officer

Date : May 26, 2023

Place : Mumbai

Pavneet Singh Sethi

Director

DIN: 07919519

Parimal Mistry

Chief Financial Officer

Date : May 26, 2023

Place : Mumbai

Ankit Sheth

Company Secretary



Date : May 26, 2023

Place : Ahmedabad



**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
**Notes to the financial statements for the year ended March 31, 2023**

## 1. Company information

Gujarat Road and Infrastructure Company Limited ("the Company") is engaged in development, construction as well as operation & maintenance of road infrastructure projects. The Company is a public company domiciled in India and it is incorporated under the provision of the Companies Act applicable in India. The registered office of the Company is located at Office of the Secretary, Roads & Buildings Department, Block 14, Second Floor, Sachivalaya, Gandhinagar – 382 010. Non-Convertible Debentures issued by the Company are listed on National Stock Exchange (NSE).

Upon the merger of the erstwhile Vadodara Halol Toll Road Company Limited ("VHTRL") and Ahmedabad Mehsana Toll Road Company Limited ("AMTRL") with the Company, Service Concession Arrangements ("SCAs") relating to Vadodara Halol Road Project ("VHRP") and Ahmedabad Mehsana Road Project ("AMRP") with the Government of Gujarat ("GoG"), devolved on the Company. The Company has received concession rights on Build, Own, Operate and Transfer (BOOT) basis for VHRP and AMRP for the period of 30 years effective from date of signing of the Concession Agreement i.e., October 24, 2000 and February 20, 2003 respectively.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 26, 2023.

## 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and presentation requirements of Division II of Schedule III of the Companies Act, 2013 and other accounting principles generally accepted in India

The financial statements have been prepared on a historical cost basis, except for the followings:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

The financial statements are presented in INR and all values are rounded to the nearest lakhs (INR 00,000), except when otherwise indicated.

### 2.1 Changes accounting policies and disclosure

#### New Standards, Interpretations and amendments adopted by the company

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2022, except for amendments to the existing Indian Accounting standards (Ind AS).

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022:

- (i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37
- (ii) Reference to the Conceptual Framework – Amendments to Ind AS 103
- (iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16
- (iv) Ind AS 101 First-time Adoption of Indian Accounting Standards – Subsidiary as a first-time adopter
- (v) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
- (vi) Ind AS 41 Agriculture – Taxation in fair value measurements

The Company applies/ analyses these for the accounting period beginning on or after 1st April 2022 and based on such analysis these do not have an impact on the financial statements of the Company.







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
**Notes to the financial statements for the year ended March 31, 2023**

**3. Summary of significant accounting policies:**

The following are the significant accounting policies applied by the company in preparing its financial statements:

**3.1 Current versus non-current classification**

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

**An asset is current when it is:**

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading; or
- Expected to be realised within twelve months after the reporting period;
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

**A liability is current when:**

- It is expected to be settled in the 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.

**Operating cycle**

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

**3.2 Service Concession Arrangement**

**Rights under service concession arrangements**

The Company builds infrastructure assets under public-to-private Concession Arrangements for VHRTL and AMTRPL under on Build, Own, Operate and Transfer (BOOT) basis and which it operates and maintains for periods specified in the Concession Arrangements.

Under the Concession Agreements, where the Company has received the right to charge users of the public service, such rights are recognised and classified as "Intangible Assets" in accordance with Appendix D to Ind AS 115 "Service Concession Arrangement". Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognised and classified as intangible assets. Such an intangible asset is recognised by the Company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and when the company receives the completion certificate from the authority as specified in the Concession Agreement. The economics of the project is for the entire length of the road as per the bidding submitted.

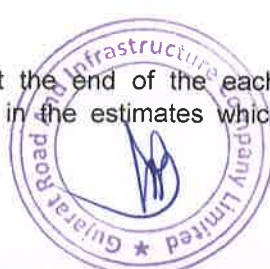
An asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal.

Service Concession Arrangements that meet the definition of an Intangible Asset are recognised at cumulative construction cost, including related margins. Till completion of construction of the project, such arrangements are recognised as "Intangible Assets Under Development" and are recognised at cumulative construction cost, including related margins.

**Amortization of rights under service concession arrangements**

The intangible assets which are recognised in the form of rights under service concession arrangements to charge users of the infrastructure asset is amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets i.e. proportionate of actual revenue earned for the year over Total Projected Revenue from the Intangible assets expected to be earned over the balance concession period as estimated by the management.

As required, total Projected Revenue is reviewed by the management at the end of the each financial year and accordingly, the total projected revenue is adjusted to reflect any change in the estimates which lead to the actual collection at the end of the concession period.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
**Notes to the financial statements for the year ended March 31, 2023**

### 3.3 Property, plant and equipments (PPE)

Property, plant and equipments is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, plant and equipments (including Capital Work-in Progress) are stated at their original cost of construction less accumulated depreciation and impairment losses, if any. Such cost comprise the purchase price, borrowing costs if the recognition criteria are met and directly attributable cost of bringing the assets to its working condition for its intended use. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other expenses on existing property plant and equipment, including day-to-day repair and maintenance expenditure are charged to the statement of profit and loss for the period during which such expenses are incurred.

PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "Capital Work-In-Progress" and carried at cost, comprising of directly attributable costs and related incidental expenses.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

#### Depreciation

All Property, plant and equipments are depreciated on a Straight Line Depreciation Method, over the useful life of assets as prescribed under Schedule II of the Companies Act 2013 other than assets specified in para below:

Following assets are depreciated over a useful life which is shorter than the life prescribed under Schedule II of the Companies Act 2013 based on the life of the assets assessed by the Company's Management based on internal technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc:

1. Data Processing Equipment – Server and Networking equipment are depreciated over a period of 4 years
2. Mobile Phones and iPad / Tablets are fully depreciated in the year of purchase.
3. All categories of assets costing less than INR 5,000 each are fully depreciated in the year of purchase.

The management believes that estimated useful lives for the assets specified above are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Considering the nature of property, plant and equipment employed by the Company and its use, Company has estimated the residual value of all the assets is to be Rupee 1/- each

Depreciation on assets purchased / sold during a period is proportionately charged for the period of use.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
**Notes to the financial statements for the year ended March 31, 2023**

### **3.4 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

#### **Amortisation**

Software / License is amortised over management estimates of its useful life of 3-6 years.

The residual value, useful live and method of depreciation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

### **3.5 Impairment – 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 the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset which is based on the discounting of estimated future cash flows 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 net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognized in the statement of profit and loss.

The Company bases its impairment calculation on detailed budgets and forecasts calculation (DCF method). These budgets and forecasts calculations generally covering a period of the concession agreements using long terms growth rates applied to future cash flows.

### **3.6 Revenue from contract with customer**

Revenue from contract with customer is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The specific recognition criteria described below must also be met before revenue is recognized. The company has concluded that it is principal in its revenue arrangements because its typically controls services before transferring them to the customer.

#### **i. Toll operation services**

Revenue from Toll operation services is recognised over a period as each toll road-user simultaneously receives and consumes the benefits provided by the Company. However, given the short time period over which the company provides road operating services to each road user (i.e. the duration of the time it takes the road user to travel the length of the toll road), the Company recognises toll revenue when it collects the tolls as per rates notified by Government of Gujarat.







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**ii. Construction services**

Revenue from construction services is recognised over a period as the customer simultaneously receives and consumes the benefits provided by the Company and measure revenue based on input method i.e. revenue recognised on the basis of cost incurred to satisfaction of a performance obligation relative to the total expected cost to the satisfaction of that performance obligation. If the outcome of a performance obligation satisfied over time cannot be reasonably measured, revenue is calculated using the zero-profit method in the amount of the contract costs incurred and probably recoverable.

**iii. Contract balances**

**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

**Trade Receivable**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of Financial instruments – initial recognition and subsequent measurement.

**Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**3.7 Other income**

- a. Fees for way-side facilities and access are accounted on accrual basis evenly over the period the facility is provided.
- b. Interest income from financial asset is recognised when it is probable that the economic benefits will flow and the amount of income can be measured reliably. Interest income is recognised using the effective interest method. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.
- c. Gain or Loss on sale of mutual fund is recorded on transfer of title from the Company, and is determined as the difference between the sale price and carrying value of mutual fund and other incidental expenses.

**3.8 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 or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the year they occur. Borrowing cost consist of interest and other costs that company incurs in connection with the borrowing of funds as defined in Indian Accounting Standard 23 – Borrowing Cost.

**3.9 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.

**a) Financial assets**

**i. Initial recognition and measurement of financial assets**

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
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The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 3.6. Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**ii. Subsequent measurement of financial assets**

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss (FVTPL)

**• Financial assets at amortised cost (debt instruments) :**

A financial asset is measured at amortized 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.

**Debt instruments at amortized cost :**

A 'debt instrument' is measured at the amortised cost if both the above conditions mentioned in "Financial assets at amortised cost" are met. 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. The Company's financial assets at amortised cost includes trade receivables and other financial assets. For more information on receivables and other financial assets, refer to Note 8 and 10.

**• Financial assets at fair value through profit or loss:**

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss. This category includes investments in mutual funds.







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
**Notes to the financial statements for the year ended March 31, 2023**

**iii. De-recognition of financial assets**

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 Group's consolidated balance sheet) when:

- when the contractual rights to the cash flows from the financial asset expire; or
- the Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

**iv. Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in profit or loss.

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

- Trade receivables and
- Other 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.

**b) Financial Liabilities**

**i. Initial recognition and measurement of financial liabilities**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

All financial liabilities are recognized initially at fair value in case of loan, borrowings and payable. Fair value is reduced by directly attributable transaction costs.

**ii. Subsequent measurement of financial liabilities**

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

- Financial assets at amortized cost
- Financial assets at fair value through profit or loss

**• Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss (FVTPL).

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses on changes in fair value of such liability are recognized in the statement of profit or loss.





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• **Financial liabilities at amortised cost (Loans and Borrowings)**

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 as finance costs in the statement of profit and loss. This category generally applies to borrowings.

• **Compound financial instruments**

Compound financial instruments are separated into liability and equity components based on the terms of the contract. At inception, the fair value of the liability component is determined using a market rate. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on redemption.

**iii. Derecognition of financial liabilities**

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when the obligation specified in the contract is discharged or cancelled or expired. 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

**iv. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the company currently has enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**3.10 Fair Value Measurement**

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes 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 benefit 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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 price 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 categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's management determines the policies and procedures for both recurring fair value measurement.





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At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

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.

### **3.11 Employee Benefits**

#### **a) Short Term Employee Benefits**

All employee benefits payable are expected to be settled wholly within 12 months after the end of the reporting period are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensation etc. and the same are recognized as an expense in the statement of profit and loss in the period in which the employee renders the related services.

#### **b) Post-Employment Benefits**

##### **(i) Defined contribution plan**

The Company's approved provident fund scheme and superannuation fund scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such scheme. The contribution paid/payable under the scheme is recognised and charged to statement of profit & loss account during the period in which the employee renders the related service.

##### **(ii) Defined benefit plan**

The employee's gratuity scheme, managed by Life Insurance Corporation (LIC) is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income (OCI) in the period in which they occur.

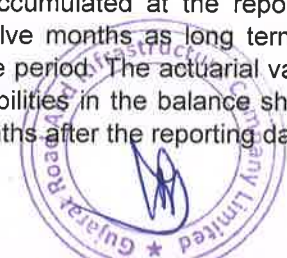
Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

#### **c) Other Employment benefits**

The employee's compensated absences, which is expected to be utilized or encashed within the next twelve months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long term compensated absences which are provided for based on actuarial valuation as at the end of the period. The actuarial valuation is done as per projected unit credit method. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.







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**3.12 Income tax**

Income tax expense comprises current tax and deferred tax

**Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax act 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

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

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

**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 except when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets are reviewed at each reporting date and are 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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.





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**3.13 Lease**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessor

Leases in which the company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**3.14 Provisions**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event and 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 or loss, net of reimbursement, if any.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and 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 and adjusted to reflect the current best estimates.

**Contractual obligation to restore the infrastructure to a specified level of serviceability**

The Company has contractual obligations to maintain the road to a specified level of serviceability or restore the road to a specified condition before it is handed over to the grantor of the Concession Agreements. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to such obligation. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of such obligation are reviewed annually and adjusted as appropriate.

**3.15 Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent liabilities are reviewed at each balance sheet date

**3.16 Segment**

Based on management approach as defined in Indian Accounting standard 108 – Operating Segment, Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker for evaluation of Company's performance.

**3.17 Cash dividend to equity holders of the company**

The Company recognises a liability to make cash to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
**Notes to the financial statements for the year ended March 31, 2023**

**3.18 Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

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

**3.19 Earnings per share**

Basic earnings per share is calculated by dividing the profit / loss for the year attributable to equity holders of the company by the weighted average number of shares outstanding during the year.

Diluted earnings per share is calculated by dividing the profit / loss attributable to equity holders of the company by the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**4. Significant accounting judgements, estimates and assumptions**

The preparation of the Company's financial statements requires management to make estimates, judgments and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the accompanying disclosure, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**Revenue from contract with customer**

The Company uses the input method for recognise revenue. Use of the input method require the company to estimate the efforts or costs expended to the date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress toward completion of performance obligation as there is a direct relationship between input and productivity. Provision for estimated losses, if any, on uncompleted performance obligation are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

**Impairment of non-financial assets**

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget generally covering a period of the concession agreements using long terms growth rates and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
**Notes to the financial statements for the year ended March 31, 2023**

**Taxes**

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the credits can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**Intangible Assets**

The intangible assets which are recognized in the form of Toll right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets. The estimation of total projection revenue requires significant assumption about expected growth rate and traffic projection for future. All assumptions are reviewed at each reporting date.

**Provision for Overlay**

Provision for Overlay work are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. All assumptions are reviewed at each reporting date.

**Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and other post-employment medical benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 30 (B).





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

**5. Property, plant and equipment and Capital Work in Progress**

Particulars	(INR in Lakhs)							Total Property, Plant and Equipment	Capital work in progress
	Office Building	Machineries & Equipments	Office Equipments	Furniture and Fixtures	Electrical Installations	Vehicles	Data Processing Equipments		
<b>Cost</b>									
As at April 1, 2021	85.24	579.35	44.31	17.74	4.80	173.36	290.19	1,195.01	106.44
Addition	-	195.71	5.69	1.20	-	156.12	18.91	377.62	(106.44)
Disposal	-	-	0.62	-	-	-	24.78	25.40	-
As at March 31, 2022	85.24	775.07	49.38	18.94	4.80	329.48	284.33	1,547.23	-
Addition	-	136.00	3.68	0.45	-	182.23	5.55	327.91	-
Disposal	-	-	-	-	-	-	-	-	-
As at March 31, 2023	85.24	911.07	53.05	19.38	4.80	511.71	289.88	1,875.14	-
<b>Accumulated Depreciation</b>									
As at April 1, 2021	30.39	150.34	36.07	16.04	4.80	87.97	276.86	602.46	-
Charge for the year	1.41	96.47	5.88	1.41	-	23.38	11.98	140.54	-
On disposal	-	-	0.62	-	-	-	24.78	25.40	-
As at March 31, 2022	31.79	246.81	41.33	17.45	4.80	111.35	264.07	717.60	-
Charge for the year	1.41	120.32	4.65	0.91	-	69.42	11.02	207.73	-
On disposal	-	-	-	-	-	-	-	-	-
As at March 31, 2023	33.20	367.13	45.98	18.37	4.80	180.76	275.09	925.33	-
<b>Net block</b>									
As at March 31, 2022	53.45	528.26	8.05	1.48	-	218.13	20.26	829.63	-
As at March 31, 2023	52.04	543.94	7.08	1.02	-	330.94	14.79	949.81	-

**Note:**

- The Company has elected to continue with the carrying value for all of its Property, plant and equipments as recognised in its previous GAAP (Indian accounting principle generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014), as deemed cost value as at the transition date i.e. April 1, 2015 as per option permitted under Ind AS 101 for the first time adoption.
- Property, plant and equipment has been pledged against secured borrowings in order to fulfil the collateral requirement of lenders.
- There is no capital work in progress in current and previous year hence additional disclosure required as per Schedule III of the Companies Act, 2013 is not required.







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**6. Intangible Assets**

(INR in Lakhs)

Particulars	Software / Licences acquired	Rights under service concession arrangements (Refer Notes below)	Total Intangible Assets	Intangible assets under development*
<b>Cost</b>				
<b>As at April 1, 2021</b>	<b>36.34</b>	<b>55,083.88</b>	<b>55,120.22</b>	<b>505.85</b>
Addition	4.43	649.83	654.25	(505.85)
Disposal	-	-	-	-
<b>As at March 31, 2022</b>	<b>40.77</b>	<b>55,733.71</b>	<b>55,774.47</b>	-
Addition	0.61	-	0.61	-
Disposal	-	-	-	-
<b>As at March 31, 2023</b>	<b>41.38</b>	<b>55,733.71</b>	<b>55,775.09</b>	-
<b>Accumulated Amortisation</b>				
<b>As at April 1, 2021</b>	<b>36.09</b>	<b>11,964.24</b>	<b>12,000.33</b>	-
Amortised during the year	2.85	2,495.87	2,498.72	-
On disposal	-	-	-	-
<b>As at March 31, 2022</b>	<b>38.94</b>	<b>14,460.11</b>	<b>14,499.05</b>	-
Amortised during the year	1.15	4,054.05	4,055.20	-
On disposal	-	-	-	-
<b>As at March 31, 2023</b>	<b>40.09</b>	<b>18,514.16</b>	<b>18,554.25</b>	-
<b>Net block</b>				
<b>As at March 31, 2022</b>	<b>1.83</b>	<b>41,273.60</b>	<b>41,275.42</b>	-
<b>As at March 31, 2023</b>	<b>1.29</b>	<b>37,219.55</b>	<b>37,220.84</b>	-

\*There is no Intangible assets under development in current and previous year hence additional disclosure required as per Schedule III of the Companies Act, 2013 is not required..

**Notes:**

- 1 Toll collection rights of widening of Vadodara-Halol Road (SH 87) beginning at Km 8/300 and ending at Km 40/000 from two lane carriageway to a dual two lane carriageway with physically segregated service roads abutting the main carriageway and widening of Ahmedabad-Mehsana Road (SH 41) beginning at Km 19/000 and ending at Km 70/600 (south of Mehsana) including the spur from Chhatral to Kadi 11.5 km long, from two lane carriageway to a dual two lane carriageway with physically segregated service roads abutting the main carriageway on Built, Own, Operate and Transfer (BOOT) basis is capitalised when the project is completed in all respects and when the Company receives the completion certificate from the authority as specified in the Concession Agreement i.e. AMRP February 20, 2003 and VHRP October 24, 2000 and not on completion of component basis as the intended purpose of the project is to have the complete length of the road available for use. Refer note 38 for detail additional disclosure pursuant to Appendix - D to Ind AS 115 - "Service Concession Arrangements" ('SCA').
- 2 Toll collection right has been pledged against borrowings in order to fulfil the collateral requirement of the Lenders.
- 3 The remaining amortisation period for the Toll collection rights at the end of the reporting period is 9.89 years in case of AMRP and 7.57 years in case of VHRP (March 31, 2022: AMRP is 10.89 years and VHRP is 8.57 years).
- 4 The Company has elected to continue with the carrying value for all of its Intangible Assets as recognised in its previous GAAP (Indian accounting principle generally accepted in India as prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014), as deemed cost value as at the transition date i.e. April 1, 2015 as per option permitted under Ind AS 101 for the first time adoption.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**7. Investments**

**Unquoted**

**Investments carried at fair value through profit or loss**

	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
854,857.64 units (31 March 2022: 854,857.64 units with NAV of INR 313.14) of ICICI Prudential Liquid Plan (Growth) with NAV of INR 330.65	2,826.62	2,676.93
24,280.914 units (31 March 2022: 24,280.914 units with NAV of INR 2,349.93) of Axis Liquid Plan (Regular Growth) with NAV of INR 2,484.16	603.18	570.58
<b>Total</b>	<b>3,429.80</b>	<b>3,247.51</b>

**Details of unquoted investments**

**(a) Aggregate amount of unquoted investments and market value thereof;**

Purchase cost	2,955.91	2,955.91
Market value	3,429.80	3,247.51

**(b) Aggregate amount of impairment in value of investments**

-

**8. Trade receivables**

	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(a) Secured, considered good	-	-
(b) Unsecured, considered good	2,602.37	2,313.79
(c) Receivable - significant increase in credit risk	-	-
(d) Receivable - credit impaired	-	-
<b>Total</b>	<b>2,602.37</b>	<b>2,313.79</b>

**As at March 31, 2023**

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
		<b>Total</b>					

**As at March 31, 2022**

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
		<b>Total</b>					

**Notes:**

1. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

2. Trade receivables are non-interest bearing and generally on terms of 30 to 90 days.

**3. Credit concentration**

As at 31st March 2023, Out of the total trade receivables, 99.99% (As at March 31, 2022 - 99.98%) pertains to dues from Government of Gujarat toward exemption claim which has been recorded based on certainty and acknowledgement received from the Government of Gujarat regarding claim made by the Company and outstanding as at March 31, 2023.

4. For information on credit risk refer note 33.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>9. Cash and bank balance</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	7.27	58.97
Balances with Banks	10,217.32	2,713.64
<b>Total (A)</b>	<b>10,224.59</b>	<b>2,772.61</b>
<b>Other bank balance</b>		
Deposit with original maturity less than 12 month (earmarked) (refer below note)	4,000.00	4,000.00
Deposit with original maturity less than 12 month	16,684.00	5,765.19
<b>Total (B)</b>	<b>20,684.00</b>	<b>9,765.19</b>
<b>Total (A+B)</b>	<b>30,908.59</b>	<b>12,537.80</b>

**Notes:**  
Fixed Deposit lying with the bank in designated account as per terms of debenture trust deed toward the Major Maintenance Reserve Account and Debt Service Reserve Account for specific purpose. Hence, its considered as restricted cash & bank balance.

	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>10. Other financial assets (Unsecured, considered good unless otherwise stated)</b>		
<b>Non-current</b>		
Security deposits	18.96	18.63
<b>Total (A)</b>	<b>18.96</b>	<b>18.63</b>
<b>Current</b>		
Advance to employees (considered good)	3.37	3.71
Advances recoverable (considered doubtful)	74.75	74.75
Interest accrued on term deposit	356.74	102.05
Other Receivables	61.53	-
	496.39	180.51
Less: Expected credit loss allowance on doubtful advances	(74.75)	(74.75)
<b>Total (B)</b>	<b>421.64</b>	<b>105.76</b>
<b>Total (A+B)</b>	<b>440.60</b>	<b>124.39</b>

Note: (i) The fair value of non-current financial assets is not materially different from carrying value of the assets as at year end.  
(ii) Other receivables includes toll collection dues recoverable from merchant bank under the agreement

	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>10.1 : Financial Assets by category</b>		
<b>Valued at Fair Value through Profit &amp; Loss</b>		
Investments (note 7)	3,429.80	3,247.51
	<b>3,429.80</b>	<b>3,247.51</b>
<b>Valued at Amortised Cost</b>		
Trade receivables (note 8)	2,602.37	2,313.79
Cash and cash equivalent (note 9)	10,224.59	2,772.61
Other bank balance (note 9)	20,684.00	9,765.19
Other financial assets (note 10)	421.64	105.76
	<b>33,932.60</b>	<b>14,957.35</b>
<b>Total Financial Assets</b>	<b>37,362.40</b>	<b>18,204.87</b>

	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
<b>11. Other assets</b>		
<b>(a) Non-current tax assets</b>		
Advance Income tax (net of provision)	873.92	667.83
<b>Total (a)</b>	<b>873.92</b>	<b>667.83</b>
<b>(b) Other non-current assets</b>		
Capital advances (unsecured, considered good)	-	138.91
<b>Total (b)</b>	<b>-</b>	<b>138.91</b>
<b>(c) Other current assets</b>		
Advance to suppliers	0.04	0.02
Plant assets - Gratuity (refer note 30(B))	38.39	37.61
Prepaid expenses	80.96	79.83
<b>Total (c)</b>	<b>119.39</b>	<b>117.46</b>







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**12. Equity share capital**

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	INR in Lakhs	No. of shares	INR in Lakhs
<b>Authorised share capital</b>				
Equity shares of INR 10 each	1,50,00,00,000	15,000.00	1,50,00,00,000	15,000.00
Non Cumulative, Redeemable Convertible Preference Shares of Rs 10 each	35,00,00,000	3,500.00	35,00,00,000	3,500.00
	<b>1,85,00,00,000</b>	<b>18,500.00</b>	<b>1,85,00,00,000</b>	<b>18,500.00</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of INR 10 each fully paid-up	5,54,62,307	5,546.23	5,54,62,307	5,546.23
	<b>5,54,62,307</b>	<b>5,546.23</b>	<b>5,54,62,307</b>	<b>5,546.23</b>

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

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Number of shares	INR in Lakhs	Number of shares	INR in Lakhs
<b>At the beginning of the year</b>	5,54,62,307	5,546.23	5,54,62,307	5,546.23
Add: Issue during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>5,54,62,307</b>	<b>5,546.23</b>	<b>5,54,62,307</b>	<b>5,546.23</b>

**(b) Terms / Rights attached to the equity shares:**

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportionate to the number of equity shares held by the shareholders.

**(c) Share held by holding Company:**

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
MAIF Investments India Pte. Ltd. - Holding Company		
3,15,00,955 (March 31, 2022: 3,15,00,955) equity shares	3,150.10	3,150.10

**(d) Details of shares held by each shareholder holding more than 5% shares**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
<u>Equity Shares of Rs 10 each fully paid</u>				
MAIF Investments India Pte. Ltd.	3,15,00,955	56.80%	3,15,00,955	56.80%
Government of Gujarat	90,87,986	16.39%	90,87,986	16.39%
IL&FS Financial Services Limited	91,88,846	16.57%	91,88,846	16.57%
Infiniti Reality Opportunities Trust	-	-	55,46,230	10.00%
IL&FS Transportation Networks Limited	56,84,520	10.24%	-	-
<b>Total</b>	<b>5,54,62,307</b>	<b>100.00%</b>	<b>5,53,24,017</b>	<b>99.76%</b>

As per the records of the company, including its registers of shareholders/member and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**(e) Details of Promoter Shareholding**

Promoter name	As at March 31, 2023		As at March 31, 2022	
	Number of Equity shares held	%of total shares	Number of Equity shares held	%of total shares
MAIF Investments India Pte. Ltd.	3,15,00,955	56.80%	3,15,00,955	56.80%
Government of Gujarat	90,87,986	16.39%	90,87,986	16.39%
IL&FS Financial Services Limited	91,88,846	16.57%	91,88,846	16.57%
Infiniti Reality Opportunities Trust	-	-	55,46,230	10.00%
IL&FS Transportation Networks Limited	56,84,520	10.24%	1,38,290	0.24%
<b>Total Promoter Holding</b>	<b>5,54,62,307</b>	<b>100.00%</b>	<b>5,54,62,307</b>	<b>100.00%</b>

As per the records of the Company, including its registers of shareholders/members and other declaration received from shareholders regarding beneficial interest, there has been no change in promoters share holding on year on year basis except shares held by Infiniti Reality Opportunities Trust transferred to IL&FS Transportation Networks Limited.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**13. Other Equity**

	INR in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b>Equity Component of Compound Financial Instrument (refer footnote (i) below)</b>		
Balance as the beginning of the year	934.57	934.57
Changes in Equity Share Capital due to prior period errors	-	-
<b>Balance at the end of the year</b>	<b>Total (A) 934.57</b>	<b>934.57</b>
<b>Capital redemption reserve (refer footnote (iii) below)</b>		
Balance at beginning of the year	3,500.00	3,500.00
Changes in Equity Share Capital due to prior period errors	-	-
<b>Balance at end of the year</b>	<b>Total (B) 3,500.00</b>	<b>3,500.00</b>
<b>Debenture redemption reserve (DRR) (refer footnote (ii) below)</b>		
Balance at beginning of the year	1,600.00	1,265.00
Transfer from statement of profit & loss	-	960.00
Transfer to General Reserve	(250.00)	(625.00)
<b>Balance at end of the year</b>	<b>Total (C) 1,350.00</b>	<b>1,600.00</b>
<b>General Reserve (refer note (iv) below)</b>		
Balance at beginning of the year	2,500.00	1,875.00
Transfer from Debenture redemption reserves	250.00	625.00
<b>Balance at end of the year</b>	<b>Total (D) 2,750.00</b>	<b>2,500.00</b>
<b>Surplus in Statement of Profit and Loss (refer note (v) below)</b>		
Balance at beginning of the year	32,093.73	27,799.94
Adjustments during the year		
Net profit for the year	19,524.44	10,798.28
Final dividend on equity shares	(5,546.23)	(5,546.23)
Other comprehensive (losses) / gains for the year	(3.27)	1.74
Transfer to Debenture redemption reserves	-	(960.00)
<b>Balance at end of the year</b>	<b>Total (E) 46,068.67</b>	<b>32,093.73</b>
	<b>Total (A + B + C + D + E) 54,603.24</b>	<b>40,628.30</b>

**Footnote:**

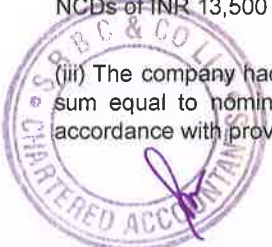
(i) The Board of Directors in their board meeting dated February 20, 2018 approved refund of advance of INR 10,500 Lakhs in three equal instalments viz April 1, 2018, April 1, 2019 and April 1, 2020 which was received towards Capital / debt from promoters pursuant to Corporate debt restructuring plan in earlier years. In accordance with the requirements of Ind AS 109, the said interest free advances has been separated into liability and equity components. Equity component has been classified under the other equity and liability component had been classified under other financial liabilities.

(ii) The Company had issued redeemable non-convertible debentures in earlier years and as per the Companies (Share Capital and Debentures) Amendment rules, 2019 dated August 16, 2019 issued by the Ministry of Corporate Affairs whereby it exempted listed companies from creation of DRR in case of public issue of debentures. Accordingly, till previous year, the Company had not created additional DRR from date of issuance of the Companies (Share Capital and Debentures) Amendment rules, 2019, however, upon redemption of debentures during the year the Company has transferred INR 250 lakhs (March 31, 2022: INR 625.00 lakhs) from DRR to general reserve.

Further, as per the Notification dated 19 February 2021, which is effective from April 01, 2021, MCA has made certain amendment in the definition of 'Listed Company' read with Rule 2A of Companies Specification of definitions details Second Amendment Rules, 2021, whereby it prescribed that for the purposes of the proviso to clause (52) of section 2 of the Act, public companies which have not listed their equity shares on a recognized stock exchange but have listed their non-convertible debt securities issued on private placement basis in terms of SEBI (Issue and Listing of Debt Securities) Regulations, 2008 shall not be considered as listed companies.

Considering the same, the Company is not considered as 'Listed Company' as per Sec.2(52) of the Companies Act, 2013 and with this referring back to amendment made in Companies (Share Capital and Debentures) Amendment Rules, 2019 dated August 16, 2019, as per rule 5 (b) (iv) (B), for other unlisted companies, the adequacy of Debenture Redemption Reserve shall be ten percent, of the value of the outstanding debentures. Accordingly, the Company has maintained the balance of DRR to the extent of 10% of the Outstanding NCDs of INR 13,500 lakhs - i.e., INR 1,350 lakhs.

(iii) The company had created Capital Redemption Reserve (CRR) at the time of redemption of its preference share capital, which is a sum equal to nominal value of shares as per the provision of section 69 of Companies Act 2013. The same will be utilised in accordance with provision of Companies Act, 2013.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
**Notes to the financial statements for the year ended March 31, 2023**

(iv) General Reserve

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in General Reserve will not be reclassified subsequently to Statement of Profit and Loss.

(v) Surplus in Statement of Profit and Loss:

Surplus in Statement of Profit and Loss are the profits of the Company earned till date net of appropriation

**13.1 Distribution made and proposed**

Particulars	INR in Lakhs	
	As at March 31, 2023	As at March 31, 2022
<b><u>Dividends on equity shares declared and paid:</u></b>		
Final dividend on equity shares for the year ended March 31, 2022: INR 10 per share (INR 10 per share for the year ended March 31, 2021)	5,546.23	5,546.23
	<b>5,546.23</b>	<b>5,546.23</b>
<b><u>Proposed dividends on Equity shares:</u></b>		
Proposed dividend for the year ended on 31 March 2023: INR Nil per share (March 31, 2022: INR 10 per share)	-	5,546.23
	-	<b>5,546.23</b>

*(This space has been left intentionally blank)*







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**14. Borrowings (at Amortised Cost)**

**14.1. Non-current Borrowings**

**Secured\***

9% Redeemable, Non Convertible Debentures

1,350 (31 March 2022: 1,600) of INR 10,00,000 each\*

Less: Current maturities of redeemable Non Convertible Debentures\*

	INR in Lakhs	
	As at March 31, 2023	As at March 31, 2022
	13,301.97	15,740.11
	(2,446.25)	(2,438.14)
<b>Total</b>	<b>10,855.72</b>	<b>13,301.97</b>

\*Includes the effect of transaction cost paid to Lenders on upfront basis.

**14.2. Short-Term Borrowings**

**Secured**

Current maturities of redeemable Non Convertible Debentures\* (refer note 14.1 above)

	As at March 31, 2023	As at March 31, 2022
	2,446.25	2,438.14
<b>Total</b>	<b>2,446.25</b>	<b>2,438.14</b>

\*Includes the effect of transaction cost paid to Lenders on upfront basis.

**The details in respect of Redeemable, Non-Convertible Debentures:**

**(i) Nature of security:**

The debenture are secured by a pari-passu first charge in favour of the Trustee of the Company on the project assets and all Property, Plant and Equipments and intangible assets, including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds, etc.

**(ii) Terms of Repayment:**

Non-Convertible Debentures are repayable in 28 consecutive half yearly installment starting from Sep-16 to March-30 as per schedule repayment mentioned in Schedule V of Debenture Trust Deed executed on May 6, 2016. The Non-Convertible Debentures are carrying fixed interest of 9% p.a.

**(iii) Default and breaches:**

Non-current borrowings contains debt covenants relating to Free Cash Flow to be maintained by the company as at the reporting date. The company has satisfied the debt covenant prescribed in the terms of the Debenture Trust Deed as at reporting date.

(iv) Fair value disclosures for financial assets are given in Note 28.

**(v) Changes in liabilities arising from financing activities:**

Particulars	(INR in Lakhs)			
	April 1, 2022	Cash flows	Change in fair value	March 31, 2023
Total Borrowings	15,740.11	(2,500.00)	61.86	13,301.97
<b>Total</b>	<b>15,740.11</b>	<b>(2,500.00)</b>	<b>61.86</b>	<b>13,301.97</b>

Particulars	(INR in Lakhs)			
	April 1, 2021	Cash flows	Change in fair value	March 31, 2022
Total Borrowings	18,170.87	(2,500.00)	69.23	15,740.11
<b>Total</b>	<b>18,170.87</b>	<b>(2,500.00)</b>	<b>69.23</b>	<b>15,740.11</b>

(vi) All necessary charges or satisfaction are registered with ROC within the statutory year.

(vii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken.

(viii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

**15. Provisions**

**Non-current:**

Provision for Employee benefits - leave encashment

Provision for Periodical Overlay (refer note 31)

	INR in Lakhs	
	As at March 31, 2023	As at March 31, 2022
	50.34	47.84
	2,573.47	1,258.24
<b>Total (A)</b>	<b>2,623.81</b>	<b>1,306.08</b>

**Current:**

Provision for Employee benefits - leave encashment

Provision for Periodical Overlay (refer note 31)

	0.73	1.21
	985.69	1,533.62
<b>Total (B)</b>	<b>986.42</b>	<b>1,534.83</b>





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**16. Trade payables**

	INR in Lakhs	
	As at	As at
	March 31, 2023	March 31, 2022
Total outstanding dues of creditors to micro and small enterprises (Refer note 41)	24.01	128.77
Total outstanding dues of creditors other than micro and small enterprises	677.51	775.05
<b>Total</b>	<b>701.52</b>	<b>903.82</b>

**As at March 31, 2023**

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of creditors to micro and small enterprises (Refer Note 1 below)	-	24.01	-	-	-	24.01
Total outstanding dues of creditors other than micro and small enterprises	47.41	521.95	59.27	0.22	0.11	628.96
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises (Refer Note 2 below)	-	-	-	-	48.55	48.55
<b>Total</b>	<b>47.41</b>	<b>545.96</b>	<b>59.27</b>	<b>0.22</b>	<b>48.65</b>	<b>701.52</b>

**As at March 31, 2022**

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of creditors to micro and small enterprises	128.77	-	-	-	-	128.77
Total outstanding dues of creditors other than micro and small enterprises	222.68	503.15	0.22	0.09	0.36	726.50
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises (Refer Note 2 below)	-	-	-	-	48.55	48.55
<b>Total</b>	<b>351.45</b>	<b>503.15</b>	<b>0.22</b>	<b>0.09</b>	<b>48.91</b>	<b>903.82</b>

**Notes:**

- As per information available with the Company, there are micro, small and medium enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 to whom the Company owes dues on account of principal amount, which are settled within due time and accordingly no related additional disclosure have been made.
- Amount payable for more than 3 years includes amount payable of INR 48.55 lakhs (March 31, 2022 - INR 48.55 lakhs) to one of the service provider of toll management and maintenance held by the Company on account of dispute.
- For payable to related parties refer note 35.

**17. Other financial liabilities (Valued at Amortised Cost)**

	INR in Lakhs	
	As at	As at
	March 31, 2023	March 31, 2022
<b>Current</b>		
Payable towards capital asset	5.12	56.61
Payable to GoG towards project management fees	580.97	580.97
Employee emoluments payable	58.86	68.50
Security Deposit payable	15.36	15.23
<b>Total</b>	<b>660.31</b>	<b>721.30</b>

**18. Other liabilities**

	INR in Lakhs	
	As at	As at
	March 31, 2023	March 31, 2022
<b>Non-current:</b>		
Deferred income	351.86	361.58
<b>Total (A)</b>	<b>351.86</b>	<b>361.58</b>
<b>Current</b>		
Statutory dues	19.81	12.13
Deferred income	90.21	92.20
<b>Total (B)</b>	<b>110.02</b>	<b>104.33</b>







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**19. Revenue from operations**

**Revenue with contract with customer (refer note 39)**

Revenue from Toll operation services (refer note below)

	INR in Lakhs	
	Year ended March 31, 2023	Year ended March 31, 2022
	36,811.80	22,019.69
<b>Total</b>	<b>36,811.80</b>	<b>22,019.69</b>

**Note:**

Government of Gujarat (GoG) issued a letter dated August 12, 2016 informing the Company about its decision to grant exemption of Car/ Jeep/ Van/ 2 Wheeler/ 3Wheeler and passenger buses owned by Gujarat State Road Transport Corporation Ltd. from payment of Toll fee w.e.f. August 15, 2016 for use of the project highways operated by the Company. GoG vide letter dated August 6, 2020 and amended letter dated October 23, 2020 proposed certain modalities for compensating loss suffered due to above exemption.

Based on the modality proposed and approved by the GOG during the previous year for the period July' 2021 onwards, the Company recognised revenue for the year ended March 31, 2023 amounting to INR 9,956.34 lakhs . Further with regards to approval of modalities for period from August' 2016 to June' 2021, the GOG vide letter dated March 29, 2023 has given it's approval and released the total claim of INR 8,017.78 lakhs, which has been recognised as revenue during the current year ended March 31, 2023.

**20. Other Income**

Interest on

bank deposits

Income received from advertisement hoardings

Income for laying cables, pipelines

Rent income of Office premises

Insurance claim received

Gain on investment in mutual fund (Refer Note below)

Income from sale of scrap

Excess provision written back

	INR in Lakhs	
	Year ended March 31, 2023	Year ended March 31, 2022
	845.21	355.35
	19.38	17.88
	123.85	124.18
	4.78	3.69
	-	116.76
	182.28	113.18
	17.62	-
	0.61	7.85
<b>Total</b>	<b>1,193.74</b>	<b>738.89</b>

**Note:**

Gain on Mutual funds includes Mark to Market Gain on outstanding investments as at March 31, 2023 of INR 182.28 lakhs (March 31, 2022 - INR 97.93 lakhs).

**21. Operating Expenses**

Operation and maintenance expenses

Provision for periodical overlay expenses (refer note 31)

	INR in Lakhs	
	Year ended March 31, 2023	Year ended March 31, 2022
	2,350.04	2,508.34
	827.54	2,652.24
<b>Total</b>	<b>3,177.58</b>	<b>5,160.58</b>

**22. Employee benefits expense**

Salaries, wages and other allowances

Contribution to provident and other funds (refer note 30 (A))

Gratuity expenses (refer note 30 (B))

Staff welfare expenses

	INR in Lakhs	
	Year ended March 31, 2023	Year ended March 31, 2022
	396.90	380.12
	40.08	36.04
	6.75	7.83
	30.42	24.67
<b>Total</b>	<b>474.16</b>	<b>448.66</b>





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**23. Finance costs**

Interest expenses on:

Redeemable, Non Convertible Debentures

Unwinding of discount on provision of overlay (Refer note 31)

Amortisation of processing fees

Other borrowing costs

	INR in Lakhs	
	Year ended March 31, 2023	Year ended March 31, 2022
	1,383.90	1,608.90
	<b>1,383.90</b>	<b>1,608.90</b>
	159.92	117.83
	61.86	69.23
	68.75	5.80
<b>Total</b>	<b>1,674.44</b>	<b>1,801.77</b>

**24. Other expenses**

Legal and consultation fees (refer note 35)

Travelling and conveyance

Rates and taxes

Repairs and maintenance

Communication expenses

Insurance

Printing and stationary

Electricity charges

Directors sitting fees (refer note 35)

Auditors remuneration (refer below)

CSR expenses (refer note 40)

Advertisement fees

Miscellaneous expenses

	INR in Lakhs	
	Year ended March 31, 2023	Year ended March 31, 2022
	268.15	465.53
	28.48	16.94
	0.86	0.91
	26.39	41.77
	19.95	12.84
	225.16	249.81
	1.82	1.57
	2.34	1.87
	12.51	10.62
	27.40	21.97
	184.80	151.57
	5.96	7.91
	12.01	11.56
<b>Total</b>	<b>815.83</b>	<b>994.87</b>

**Payments to auditors**

**Towards**

Statutory audit

Tax audit

Certification fees

For reimbursement of expenses

GST on above

	Year ended March 31, 2023	Year ended March 31, 2022
	18.18	14.50
	3.25	3.00
	1.50	1.00
	0.29	0.12
	4.18	3.35
<b>Total</b>	<b>27.40</b>	<b>21.97</b>

**25. Earnings per share**

The following reflects the income and share data used in the basic and diluted EPS computations:

Net earnings available for equity shareholders (INR in Lakhs)

Number of equity shares at the end of the year

Weighted average number of equity shares for basic and diluted EPS

Nominal value of equity shares (in INR)

Basic / Diluted Earnings per share (in INR)

	Year ended March 31, 2023	Year ended March 31, 2022
	19,524.44	10,798.28
	5,54,62,307	5,54,62,307
	5,54,62,307	5,54,62,307
	10	10
	35.20	19.47





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**26. Income tax**

The major component of Income tax expense for the year ended March 31, 2023 and March 31, 2022 are as under:

	(INR In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
<b>a) Profit and loss section</b>		
<b>Current income tax:</b>		
Current Income tax charges	9,053.64	2,046.58
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(966.41)	(1,115.40)
Adjustments in respect of deferred tax of previous year (MAT Credit Entitlement)	(11.07)	(16.00)
	(977.48)	(1,131.40)
<b>Income tax expenses reported in the statement of profit or loss</b>	<b>8,076.16</b>	<b>915.18</b>
<b>b) Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate</b>		
<b>Profit before tax</b>	<b>27,600.60</b>	<b>11,713.46</b>
Statutory income tax rate	29.12%	29.12%
<b>Expected income tax expenses</b>	<b>8,037.29</b>	<b>3,410.96</b>
<b>Tax effect of adjustments to reconcile expected income tax expenses to reported income tax expenses</b>		
Tax effect of non-deductible items	49.94	23.68
Tax effect of exempted income	-	(2,490.28)
Tax on income at different rate	-	(13.19)
Adjustment on account of tax related to earlier years	(11.07)	(16.00)
<b>At the effective income tax rate of 29.26% (March 31, 2022: 7.81%)</b>	<b>8,076.16</b>	<b>915.18</b>

**c) Deferred tax relates to the followings:**

Particulars	Balance sheet		Statement of Profit and Loss	
	As at	As at	Year ended	Year ended
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Accelerated depreciation for tax purpose	(6,675.71)	(7,470.74)	(795.02)	(824.31)
Income allowed on realised basis	(53.08)	-	53.08	-
Expenditure allowed on payment basis	1,089.52	865.06	(224.46)	(220.05)
Tax credit entitlement under MAT (refer note d below)	7,979.33	12,199.52	(11.07)	(87.04)
<b>Deferred tax charge / (credit)</b>			<b>(977.48)</b>	<b>(1,131.40)</b>
<b>Net deferred tax assets / (liabilities)</b>	<b>2,340.06</b>	<b>5,593.84</b>		

d) The company has following unutilised MAT credit under the Income Tax Act, 1961 for which deferred tax assets has been recognised in the Balance sheet at:

Financial Year	Opening balance of MAT Credit	Availed during the year	Utilised during the year	Amount (INR in lakhs)	Expiry Year
2010-11	297.06	-	(297.06)	-	
2011-12	1,071.71	-	(1,071.71)	-	
2012-13	1,203.50	-	(1,203.50)	-	
2013-14	1,356.93	-	(1,356.93)	-	
2014-15	1,099.78	-	(302.05)	797.72	2030-31
2015-16	324.83	-	-	324.83	2031-32
2016-17	1,222.37	-	-	1,222.37	2032-33
2017-18	1,800.82	-	-	1,800.82	2033-34
2018-19	1,857.49	-	-	1,857.49	2034-35
2019-20	1,539.04	-	-	1,539.04	2035-36
2020-21	354.95	-	-	354.95	2036-37
2021-22	71.04	11.07	-	82.11	2037-38
<b>Total</b>	<b>12,199.52</b>	<b>11.07</b>	<b>(4,231.26)</b>	<b>7,979.33</b>	

**Note:**

(i) The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relates to income taxes levied by the same tax authority.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**27. Disclosure of Financial Instruments by Category**

(INR In Lakhs)

Particulars	Note no.	March 31, 2023			March 31, 2022		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
<b>Financial assets</b>							
Investments	7	3,429.80	-	-	3,247.51	-	-
Cash and bank balances	9	-	-	30,908.59	-	-	12,537.80
Trade receivables	8	-	-	2,602.37	-	-	2,313.79
Other financial assets	10	-	-	440.60	-	-	124.39
<b>Total Financial asset</b>		<b>3,429.80</b>	<b>-</b>	<b>33,951.55</b>	<b>3,247.51</b>	<b>-</b>	<b>14,975.98</b>
<b>Financial liabilities</b>							
Redeemable, Non-convertible debentures	14	-	-	13,301.97	-	-	15,740.11
Trade Payables	16	-	-	701.52	-	-	903.82
Other financial liabilities	17	-	-	660.31	-	-	721.30
<b>Total Financial liabilities</b>		<b>-</b>	<b>-</b>	<b>14,663.80</b>	<b>-</b>	<b>-</b>	<b>17,365.23</b>

**28. Fair value disclosures for financial assets and financial liabilities**

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

(INR In Lakhs)

Particular	March 31, 2023		March 31, 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial Assets</b>				
Investment in Mutual Fund	3,429.80	3,429.80	3,247.51	3,247.51
<b>Total Financial Assets</b>	<b>3,429.80</b>	<b>3,429.80</b>	<b>3,247.51</b>	<b>3,247.51</b>
<b>Financial liabilities</b>				
Redeemable, Non-convertible debentures	13,301.97	13,606.03	15,740.11	16,139.39
<b>Total Financial Liabilities</b>	<b>13,301.97</b>	<b>13,606.03</b>	<b>15,740.11</b>	<b>16,139.39</b>

**Notes:**

a. The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair value since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

b. 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.

**29. Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2023 and March 31, 2022

(INR In Lakhs)

Assets measured at fair value (note 28)	Note No.	Fair value measurement using Significant observable inputs (Level 2)	
		March 31, 2023	March 31, 2022
<b>Fair value through profit &amp; loss</b>			
Investment in Mutual Fund	7	3,429.80	3,247.51
<b>Liabilities for which fair value are disclosed (note 28)</b>			
Redeemable, Non-convertible debentures	14	13,606.03	16,139.39

There have been no transfers between level 1 and level 2 during the years.







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**30. Employee Benefit Obligations**

**A. Defined-Contribution Plans:**

The following amount recognised as expenses in statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities

Contribution to	(INR In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Provident fund	12.32	11.31
Superannuation fund	17.91	15.10
Employees' State Insurance	1.59	2.00
Pension fund	8.27	7.62
<b>Total</b>	<b>40.08</b>	<b>36.04</b>

**B. Defined-Benefits Plans:**

The Company offers its employees defined-benefit plans in the form of a gratuity scheme (a lump sum amount) and governed by the Payment of Gratuity Act, 1972. Benefits under the defined benefit plans are typically based on years of service and the employee's compensation (immediately before retirement). The gratuity scheme covers substantially all regular employees and vesting period for gratuity, payable under the Scheme is 5 years. In the case of the gratuity scheme, the Company contributes funds to a Life Insurance Corporation of India. Commitments are actuarially determined at year-end. The actuarial valuation is done based on "Projected Unit Credit" method as prescribed by the Indian Accounting Standard-19. Gratuity has been recognised in the financial statement as per details given below:

**i) Change in present value of the defined benefit obligation are as follows:**

	(INR In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Present value of the defined benefit obligation at the beginning of the year	80.68	69.86
Interest cost	5.88	4.84
Current service cost	9.49	9.10
Re-measurement (or Actuarial) (gain) / loss arising from and including OCI		
- change in Demographic Assumptions	-	(0.01)
- change in Financial Assumptions	(1.86)	(3.01)
- experience variance	4.34	1.33
Benefits paid	(10.30)	(1.42)
<b>Present value of the defined benefit obligation at the end of the year</b>	<b>88.24</b>	<b>80.68</b>

**ii) Changes in fair value of plan assets are as follows:**

	(INR In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Fair value of plan assets at the beginning of the year	118.29	88.12
Interest Income	8.62	6.11
Contributions by employer	9.80	25.44
Return on plan assets, excluding amount recognised in net interest expenses	(0.78)	0.04
Benefits Paid	(10.30)	(1.42)
<b>Fair value of plan assets at the end of the year</b>	<b>125.63</b>	<b>118.29</b>

**iii) Net (assets) / liability recognised in the balance sheet:**

	(INR In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Present value of the defined benefit obligation at the end of the year	88.24	80.68
Fair value of plan assets at the end of the year	(125.63)	(118.29)
<b>Amount recognised in the balance sheet</b>	<b>(37.39)</b>	<b>(37.61)</b>

**iv) Expenses recognised in the statement of profit and loss for the year:**

	(INR In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Current service costs	9.49	9.10
Interest expense	(2.74)	(1.27)
<b>Amount charged to the statement of profit and loss</b>	<b>6.75</b>	<b>7.83</b>

**v) Recognised in the other comprehensive (expenses)/income for the year:**

	(INR In Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Actuarial (gain)/losses arising from		
- change in Demographic Assumptions	-	0.01
- change in Financial Assumptions	1.86	3.01
- experience variance	(4.34)	(1.33)
Return on plan assets, excluding amount recognised in net interest expenses	(0.78)	0.04
<b>Recognised in other comprehensive (expense) / income</b>	<b>(3.27)</b>	<b>1.74</b>





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

vi) The actuarial calculations used to estimate defined benefit commitments and expenses are based on the following assumptions, which if changed, would affect the defined benefit commitment's size, funding requirements and pension expense:

	As at March 31, 2023	As at March 31, 2022
Rate for discounting	7.49% p.a.	7.29% p.a.
Expected salary growth rate	6.50% p.a.	6.50% p.a.
Expected return on scheme assets	7.49% p.a.	7.29% p.a.
Rate of Employee Turnover	2.00% p.a.	2.00% p.a.
Mortality table used	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

The estimates of future salary increases, considered in the actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

vii) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Year ended March 31, 2023	Year ended March 31, 2022
Investments with insurer	100%	100%

As the gratuity fund is managed by life insurance company, details of fund invested by insurer are not available with company.

viii) A quantitative sensitivity analysis for significant assumption is as shown below:

	Sensitivity level	(INR in Lakhs)	
		Year ended March 31, 2023	Year ended March 31, 2022
Rate of Discounting	1.00% Increase	(8.51)	(7.56)
	1.00% decrease	9.87	8.78
Salary growth rate	1.00% Increase	9.87	8.77
	1.00% decrease	(8.66)	(7.68)
Rate of Employee Turnover	1.00% Increase	0.49	0.29
	1.00% decrease	(0.58)	(0.35)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of reporting period.

xi) Maturity profile of defined benefit obligation:

	(INR in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
1st Following Year	1.92	1.79
2nd Following Year	9.17	1.95
3rd Following Year	2.36	16.15
4th Following Year	5.22	2.01
5th Following Year	2.44	4.62
Year 6 to 10 year	19.79	12.63
Year 11 year and onward	179.48	154.71

The average duration of the defined benefit plan obligation at the end of the reporting period is 12 years (March 31, 2022: 12 years).







GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED  
Notes to the financial statements for the year ended March 31, 2023

**31. Disclosure with respect to Periodical overlay**

Provision for periodical overlay in respect of toll roads maintained by the Company under service concession arrangements and classified as intangible assets represents contractual obligations to restore an infrastructure facility to a specified level of serviceability in respect of such asset. Estimate of the provision is measured using a number of factors, such as contractual requirements, road usage, expert opinions and expected price levels. Because actual cash flows can differ from estimates due to changes in laws, regulations, public expectations, prices and conditions, and can take place many years in future, the carrying amounts of provision is reviewed at regular intervals and adjusted to take account of such changes. Below is the movement in provision for the year:

	<u>(INR in Lakhs)</u>
	<u>As at</u>
	<u>March 31, 2023</u>
Carrying amount as at April 01, 2022	2,791.86
Add: Provision made during the year	827.54
Add: Increase during the year in the discounted amount due to passage of time	159.92
Less: Actual expenditure incurred / provision utilised during the year	<u>(220.16)</u>
Carrying amount as at March 31, 2023	<u>3,559.17</u>
Expected time of outflow	In the year 2023-24 to 2026-27

**32. Segment Reporting**

The Company is engaged in the business of development, constuction, operation and maintenance of road infrastructure projects on Build Operate Own Transfer (BOOT) basis. Accordingly, the Company has considered BOOT segment as a single operating segment in accordance with the Indian Accounting Standard (Ind AS) 108 on "Operating Segments". Further, the Company also primarily operates under one geographical segment namely India. Hence, additional disclosure is not required in this regards.

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### **33. Financial instruments risk management objectives and policies**

The Company's principal financial liabilities comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets include trade and other receivables, investments and cash and bank balance that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

#### **a. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises mainly interest rate risk. Financial instruments affected by market risk include borrowings, trade and other receivables and trade and other payables.

Within the various methodologies to analyse and manage risk, Company has implemented a system based on "sensitivity analysis" on systematic basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:  
- a parallel shift of 25-basis points of the interest rate yield curves in all currencies.

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and provisions.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held as at March 31, 2023 and March 31, 2022.

#### **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The interest risk arises to the Company mainly from long term borrowings with variable rates. The Company manages its interest rate risk by having a fixed rate loans and borrowings. The Company measures risk through sensitivity analysis.

#### **Interest rate sensitivity**

The Company is not exposed to interest rate risk because it has borrowings in Non-convertible debentures carries fixed interest rates.

#### **b. Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivable and other financial assets) and from its financing activities, including deposit with bank and other financial instruments.

Trade receivable consist of receivable from GoG toward receivable toward exemption claim which has been recorded based on certainty. Accordingly, the company is not exposed to credit risk in relation to trade receivable.

Credit risk from balances with banks and financial institutions is managed by the Company's finance and accounts department in accordance with the Company's policy. Investments of surplus funds are made only in accordance with company policy. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the balance sheet as of March 31, 2023 is INR 34,338.39 Lakhs and March 31, 2022 is INR 15,785.32 Lakhs.

#### **c. Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys cash management system. It maintains adequate sources of financing including debt at an optimised cost.

The company measures risk by forecasting cash flows.

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





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

The table below analysis non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the refinancing options available with the Company:

Particulars	Total Carrying Amount	Total Contractual Cash flow	(INR In Lakhs)			
			upto 1 year	1-2 years	2 - 5 years	> 5 years
<b>As at March 31, 2023</b>						
Borrowings# (Refer note 14)	13,500.00	13,500.00	2,500.00	2,500.00	5,500.00	3,000.00
Trade Payables (Refer note 16)	701.52	701.52	701.52	-	-	-
Other Financial Liabilities (Refer note 17)	660.31	660.31	660.31	-	-	-
Interest accrued but not due on borrowings	-	4,016.84	1,158.75	933.90	1,586.50	337.68
<b>Total</b>	<b>14,861.83</b>	<b>18,878.67</b>	<b>5,020.58</b>	<b>3,433.90</b>	<b>7,086.50</b>	<b>3,337.68</b>
<b>As at March 31, 2022</b>						
Borrowings# (Refer note 14)	16,000.00	16,000.00	2,500.00	2,500.00	6,500.00	4,500.00
Trade Payables (Refer note 16)	903.82	903.82	903.82	-	-	-
Other Financial Liabilities (Refer note 17)	721.30	721.30	721.30	-	-	-
Interest accrued but not due on borrowings	-	5,404.93	1,383.90	1,161.92	2,149.15	709.95
<b>Total</b>	<b>17,625.12</b>	<b>23,030.05</b>	<b>5,509.03</b>	<b>3,661.92</b>	<b>8,649.15</b>	<b>5,209.95</b>

# Unamortised transaction cost paid to Lenders on upfront basis excluded from above borrowings.

#### 34. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities 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 so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company monitors capital using a gearing ratio, which is net debt divided by total Capital plus Net debt is calculated as borrowing less cash and cash equivalent and other bank balances and mutual funds investments.

Particulars	(INR In Lakhs)	
	As at March 31, 2023	As at March 31, 2022
Borrowings (refer note 14)	13,301.97	15,740.11
Less: Cash and bank balance (refer note 9)*	(26,908.59)	(8,537.80)
Less: Current Investments (refer note 7)*	(3,429.80)	(3,247.51)
<b>Net debt (A)</b>	<b>(17,036.42)</b>	<b>3,954.79</b>
<b>Total equity (refer note 12 and 13)</b>	<b>60,149.47</b>	<b>46,174.53</b>
<b>Capital and net debt (B)</b>	<b>43,113.05</b>	<b>50,129.32</b>
<b>Gearing ratio (%) (A/B)</b>	<b>(39.52%)</b>	<b>7.89%</b>

\* Includes cash and cash equivalents, balances in bank deposits (other than earmarked deposits) and investment in mutual funds as described in note 9 and note 7.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**35. Related Party Disclosures**

Related party disclosures as required under the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are given below:

**Name of the related parties and description of relationship**

**(a) Related Parties where control exists**

Holding Company MAIF Investments India Pte. Ltd. (MAIF)

**(b) Related Parties with whom transactions have taken place during the year**

Fellow subsidiary MIRA India Management Service Pvt Ltd (MIMSPL) (upto September 30, 2022)

**Key Management Personnel:**

S. B. Vasava (Non-executive director)  
Ashwinkumar Yadav (IAS) (Non-executive director) (upto December 7, 2022)  
Pranab Jyoti Nanda (Non-executive director) (w.e.f. February 7, 2022)  
K. M. Patel (Non-executive director) (w.e.f. February 16, 2022)  
Jayesh A. Gandhi (Non-executive director) (upto February 16, 2022)  
Ashutosh Mistry (Non-executive director) (w.e.f. December 31, 2020)  
Ravi Kapoor (Non-executive director) (upto March 27, 2023)  
Yagnesh Desai (Non-executive director) (upto March 27, 2023)  
Dilip Bhatia (Non-executive director)  
Priya Shetty (Non-executive director)  
Abodh Khandelwal (Non-executive director) (w.e.f. March 28, 2023)  
Tushar Bhatt (Non-executive director) (w.e.f. March 28, 2023)  
Praveen Vasant (Chief Executive Officer)  
Parimal Mistry (Chief Financial Officer)  
Ankit Sheth (Company Secretary)

**(c) Transactions with Related Parties for the year ended:**

**(INR In Lakhs)**

Sr. No.	Particulars	Name of the Parties	March 31, 2023	March 31, 2022
1	Management Consultancy Fees	MIMSPL	126.49	252.97
2	Director's sitting fees	S. B. Vasava	0.94	1.18
3	Director's sitting fees	Ashwinkumar Yadav (IAS)	-	0.47
4	Director's sitting fees	Pranab Jyoti Nanda	1.18	0.47
5	Director's sitting fees	K M. Patel	0.94	0.24
6	Director's sitting fees	Chandrakant P. Patel	0.24	-
7	Director's sitting fees	Jayesh A. Gandhi	-	1.42
8	Director's sitting fees	Ashutosh Mistry	1.42	1.18
9	Director's sitting fees	Yagnesh Desai	3.30	3.07
10	Director's sitting fees	Ravi Kapoor	3.07	2.60
11	Director's sitting fees	Dilip Bhatia	0.71	-
12	Director's sitting fees	Priya Shetty	0.71	-
13	Remuneration to KMP	Praveen Vasant	43.34	50.74
14	Remuneration to KMP	Parimal Mistry	37.05	34.14
15	Remuneration to KMP	Ankit Sheth	39.79	35.69

**Footnote:**

(i) Reimbursement of cost is not included above.

(ii) The remuneration to key managerial personnel given above is mainly related to short term employee benefits and does not includes post employee benefits as the same is not determinable.







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
**Notes to the financial statements for the year ended March 31, 2023**

**36. Contingent Liabilities:**

In case of disputes decided in favour of the Company at the First Appellate Authority for assessment years 2002-03 to 2005-06 and 2007-08 to 2016-17, the department has gone for further appeal in all these cases. If decided against the Company, it will result in reduction of unabsorbed losses and unabsorbed depreciation as per the Income - Tax law aggregating – INR 38,392.26 lakhs (March 31, 2022 INR 34,994.22 lakhs) for the above assessment year. The tax impact and consequential interest and penalty for each assessment year would be determined only on conclusion of such assessments.

In respect to assessment year 2013-14 and 2014-15, the department has disallowed MAT credit entitlement and raise demand of INR 675.50 lakhs where the company has received favourable order from ITAT and the department has gone for further appeal. On the similar matter, the company got demand notice for assessment year 2012-13 under section 154 during the year amounting to INR 405.05 lakhs, however, the Company has filled appeal against above order. Both above matter are under process as at reporting date.

The Company is contenting the above demand and the management, including its tax advisor, believe that its position shall likely be upheld in the appellate process. The management believes that the ultimate outcome of these proceedings will not have a material adverse effect on the Company's financial position and results of operations.

**37. Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided as at year end - INR Nil lakhs (net of advances of INR Nil lakhs) (INR 329.68 (net of advances of INR 190.77 as on March 31, 2022).

**38. Disclosure pursuant to Appendix - E to Ind AS 115 - " Service Concession Arrangements"**

**A Description and classification of the arrangement**

The Service Concession Arrangement ("SCA") in respect of VHRP was entered into on October 17, 1998 while that in respect of AMRP was entered into on May 12, 1999. The SCA in respect of VHRP envisages the widening of Vadodara-Halol Road (SH 87) beginning at Km 8/300 and ending at Km 40/000 from two lane carriageway to a dual two lane carriageway with physically segregated service roads abutting the main carriageway. The SCA in respect of AMRP envisages the widening of Ahmedabad-Mehsana Road (SH 87) beginning at Km 19/000 and ending at Km 70/600 (south of Mehsana) including the spur from Chhatral to Kadi 11.5 km long, from two lane carriageway to a dual two lane carriageway with physically segregated service roads abutting the main carriageway.

Upon the merger of the erstwhile Vadodara Halol Toll Road Company Limited ("VHTRL") and Ahmedabad Mehsana Toll Road Company Limited ("AMTRL") with the Company, Service Concession Arrangements ("SCAs") relating to Vadodara Halol Road Project ("VHRP") and Ahmedabad Mehsana Road Project ("AMRP") with the Government of Gujarat ("GoG"), devolved on the Company.

**B Significant Terms of the arrangements**

**i Toll Rate Revision**

Toll rates shall be revised annually on April 01 as per the clause 11.3 of the Concession Agreement.

**ii Extension of concession period**

The Concession period shall be extended:

- a. In the event that the Concessionaire has not recovered the Total Cost of Project and the Returns thereon on the date 30 years from the Operations Date, the Concession Period shall at the request of the Concessionaire, without qualification, be extended by GoG for a period of two years at a time until the Total Cost of Project and the Returns thereon have been recovered by the Concessionaire
- b. If in the view of the Independent Auditor the Total Cost of Project and the Returns thereon could not reasonably be expected to be recovered only by extending the Concession Period, as stated hereinabove, GoG may on receipt of request from the Concessionaire :
  - (i) increase the rate of Toll in consultation with the Concessionaire
  - (ii) confer to the Concessionaire a capital grant for the purposes of the Project to be credited by the Concessionaire to the Total Cost of Project or a loan of such amount and on such conditions as may be agreed to between the Parties; and/ or
  - (iii) grant Development Rights, to the Concessionaire, in accordance with Article 4 ; and/or
  - (iv) revise this Agreement on such terms and conditions as may be agreed to between the Parties, to facilitate recovery of the Total Cost of Project and the Returns thereon.

**iii Rights of the Company to use Project Highway**

- a To demand, collect and appropriate, Fee from vehicles and Users liable for payment of Fee for using the Project Highway or any part thereof and refuse entry of any vehicle if the Fee due is not paid.
- b Right of Way, access and licence to the Site.

**iv Obligation of the Company**

- a The Concessionaire shall not assign, transfer or sublet or create any lien or Encumbrance on the SCA, or the Concession granted or on the whole or any part of the Project Highway nor transfer, lease or part possession thereof, save and except as expressly permitted by SCA or the Substitution Agreement.
- b The Concessionaire operate and maintained the project highways in accordance with the conditions of all Clearances, Prudent Utility Practices, the Technical Requirements and the Performance Standards as defined in SCA

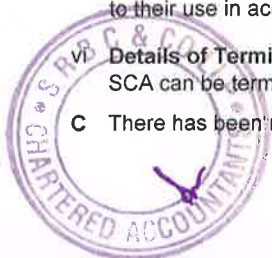
**v Details of any assets to be given or taken at the end of concession period**

At the end of the Concession Period the Project Highways transferred to GoG is in fair condition, subject to normal wear and tear having regard to their use in accordance with Prudent Utility Practices.

**vi Details of Termination**

SCA can be terminated on account of default of the company or GoG in the circumstances as specified under article 17 of the SCA.

- C There has been no change in the concession arrangement during the year.







**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**39. Revenue from contract with customers**

**39.1 Disaggregated revenue information**

Set out below is the disaggregation of the Company's revenue from contracts with customers:

(INR in lakhs)

	Year ended	Year ended
	March 31, 2023	March 31, 2022
<b>Type of service rendered</b>		
Toll operation services	36,811.80	22,019.69
<b>Total revenue from contracts with customers</b>	<b>36,811.80</b>	<b>22,019.69</b>
<b>India</b>		
Total revenue from contracts with customers	36,811.80	22,019.69
<b>Timing of revenue recognition</b>		
Services transferred over time (refer note 39.3)	36,811.80	22,019.69
<b>Total revenue from contracts with customers</b>	<b>36,811.80</b>	<b>22,019.69</b>

**39.2 Contract balances**

(INR In Lakhs)

	As at	As at
	March 31, 2023	March 31, 2022
Trade receivable	2,602.37	2,313.79

Trade receivables includes dues from Government of Gujarat toward toll exemption claim which has been recorded based on certainty. Trade receivable are non-interest bearing and generally on terms of 30 to 90 days.

**39.3 Performance obligation**

Information about the company's performance obligations are summarised below:

**Toll operation services**

The performance obligation is satisfied over time as each toll road-user simultaneously receives and consumes the benefits provided by the Company. However, given the short time period over which the company provides road operating services to each road user (i.e. the duration of the time it takes the road user to travel the length of the toll road), the Company recognises toll revenue when it collects the tolls.

**40. Details of Expenditure on Corporate Social Responsibilities (CSR):**

(INR In Lakhs)

	As at	As at
	March 31, 2023	March 31, 2022
(i) Gross Amount required to Spent during the year	178.17	148.74
(ii) Amount approved by the Board to be spent during the year	184.23	151.27

(iii) Amount spent during the year ended

**As at March 31, 2023**

- i) Construction/acquisition of any asset
- ii) On purposes other than (i) above

	In cash	Yet to be paid in cash	Total
		-	-
	184.80	-	184.80
<b>Total</b>	<b>184.80</b>	<b>-</b>	<b>184.80</b>

**As at March 31, 2022**

- i) Construction/acquisition of any asset
- ii) On purposes other than (i) above

	-	-	-
	151.57	-	151.57
<b>Total</b>	<b>151.57</b>	<b>-</b>	<b>151.57</b>

(iv) Nature of CSR activities

Developing School Infrastructure, Improving Sanitation and related Administration & Supervision Charges for development and Regular Monitoring of above activities

(INR In Lakhs)

	As at	As at
	March 31, 2023	March 31, 2022
(v) Total of previous years shortfall	-	-
(vi) Reason for shortfall	-	Not Applicable
(vii) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:	-	-





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**41 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

	(INR in Lakhs)	
	As at March 31, 2023	As at March 31, 2022
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	24.01	128.77
(ii) The amount of interest paid by the buyer in terms of Section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006;	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year;	-	-
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006.	-	-

The above information regarding Micro, Small and Medium Enterprise has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**42 Leases**

**Company as lessor**

The Company has entered into operating lease for locations and spaces given for advertisement on Ahmedabad Mehsana Road Project (SH-41) for a period of 3 years. The lease include a clause to enable upward revision of the rental charge on an annual basis, however, the leases are cancellable in nature at any point of time by either of parties. There is no sub-lease and no restriction imposed under the lease arrangement. Rental income recognised by the company during the year is INR 4.78 lakhs (March 31, 2022: INR 3.69 lakhs).

**43 Regulatory Updates**

**Standards notified but not yet effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31st March, 2023. The amendments have been made in the following standards:

Ind AS 1: Presentation of Financial Statements is amended to replace the term "significant accounting policies" with "material accounting policy information" and providing guidance relating to immaterial transactions, disclosure of entity specific transactions and more

Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors to include the definition of accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty."

Ind AS 12: Income Taxes relating to initial recognition exemption of deferred tax related to assets and liabilities arising from a single transaction.

Other Amendments in Ind AS 102 – Share based Payments, Ind AS 103 – Business Combinations, Ind AS 109 – Financial Instruments, Ind AS 115 – Revenue from Contracts with Customers which are mainly editorial in nature in order to provide better clarification of the respective Ind AS's.

These amendments shall come into force with effect from April 01, 2023. The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.





**GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED**  
Notes to the financial statements for the year ended March 31, 2023

**44 Statutory Informations:**

**(A). Ratio Analysis and its elements**

Sr. No.	Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% Change	Reason for variation
1	Current Ratio (in times)	Current Assets	Current Liabilities	7.64	3.21	137.85%	Refer Note (i)
2	Debt-Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.22	0.34	-35.21%	Refer Note (ii)
3	Debt Service Coverage Ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	7.01	3.14	123.21%	Refer Note (iii)
4	Return on Equity Ratio (in %)	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	36.73%	24.80%	48.11%	Refer Note (iv)
5	Inventory Turnover Ratio (in times)	Cost of goods sold	Average Inventory	Not Applicable (Refer note (v))			
6	Trade Receivables Turnover Ratio (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	3.23	5.85	-44.82%	Refer Note (vi)
7	Trade Payable Turnover Ratio (in times)	Operating Expenses plus Other Expenses	Average Trade Payables	3.94	2.70	45.99%	Refer Note (vii)
8	Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Working capital	1.63	2.07	-21.41%	Not Required
9	Net Profit Ratio (in %)	Profit for the year after tax	Revenue from Operations	53.04%	49.04%	8.16%	Not Required
10	Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	39.79%	21.77%	82.78%	Refer Note (viii)
11	Return on Investment (in %)	Income generated from investments	Average Cost of Investments	6.17%	3.39%	82.11%	Not Required

**Explanation / Reasons for variance in aforesaid Ratios:**

- (i) Current ratio improved on account of increase in Cash and Cash Equivalents and Other bank balances due to increase in operations and income from toll collection.
- (ii) Reduced on account of repayment of debt and increase in profit during the year
- (iii) Increase was primarily on account of increase in profit before tax and lower debt service charges mainly interest cost on account of reduction in outstanding debt
- (iv) Increase was primarily on account of increase in profit after tax
- (v) Since the Company doesn't maintain inventory - Inventory turnover ratio is not applicable for company as at March 31, 2023 and March 31, 2022.
- (vi) Receivable Turnover ratio reduced due to increase in revenue recognised on credit basis as against increase in outstanding receivables.
- (vii) Payable Turnover ratio improved on account of discharge on liabilities due during the year as against marginal increase in expenditure from operations.
- (viii) Improvement in Return on Capital Employed was primarily on account of increase in profit after tax

**(B). Other Statutory Information**

- (i) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or;
  - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (iv) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (v) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.
- (vi) The Company does not have any transactions with companies which are struck off.





GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED  
Notes to the financial statements for the year ended March 31, 2023

45. Previous year comparatives

Previous year's figures have been regrouped where necessary to conform to this year's classification.

As per our report of even date

For S R B C & CO LLP  
Firm Registration No.: 324982E/E300003  
Chartered Accountants

For and on behalf of the Board of Directors of  
Gujarat Road and Infrastructure Company Limited  
(CIN No: U65990GJ1999PLC036086)

  
per Sukrut Mehta  
Partner  
Membership No. 101974

  
Deep Gupta  
Director  
DIN: 07222383

  
Pavneet Singh Sethi  
Director  
DIN: 07919519



  
Praveen Vasant  
Chief Executive Officer

  
Parimal Mistry  
Chief Financial Officer

  
Ankit Sheth  
Company Secretary

Date : May 26, 2023  
Place : Ahmedabad

Date : May 26, 2023  
Place : Mumbai

