



IRCON VADODARA KIM EXPRESSWAY LIMITED

ANNUAL REPORT 2025-26



**CONTENTS OF ANNUAL REPORT OF IRCON VADODARA KIM EXPRESSWAY
LIMITED (IrconVKEL) FOR THE FY 2025-26**

Sr. No.	Particulars	Page No.
1.	Company's Profile	1
2.	Board of Directors	2
3.	Chairman's Speech	3
4.	Directors Report	5
5.	❖ AOC-2 ❖ Annual Report on CSR & Sustainability ❖ Secretarial Audit Report	17 19 24
6.	Financial Statements of the Company ❖ Auditor Report ❖ Balance Sheet ❖ Statement of Profit and Loss ❖ Statement of Changes in Equity ❖ Cash Flow Statement ❖ Notes to Accounts & Other Explanatory Information	 28 43 44 46 47 49
7.	Comments of Comptroller & Auditor General of India	101

COMPANY PROJECT

“Eight lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sanpa to Padra Section of Vadodara Mumbai Expressway) in the State of Gujarat under NHDP Phase - VI on Hybrid Annuity mode (Phase IA-Package II)”

BOARD OF DIRECTORS

Shri Ajay Pal Singh, Chairman

Shri Masood Ahmad, Director

Shri Santanu Mukherjee, Director

Mrs. Aradhana Garg, Director

KEY MANAGERIAL PERSONNEL

Shri Santha C Kumar, Chief Executive Officer

Shri Raj Kumar, Chief Financial Officer

Shri Laksheya Sharma, Company Secretary

STATUTORY AUDITOR

M/s A J Mohan & Associates

Chartered Accountants

SECRETARIAL AUDITOR

M/s Kumar Naresh Sinha & Associates

Company Secretaries

INTERNAL AUDITOR

M/s Singhal Sunil & Associates

Chartered Accountants

BANKERS TO THE COMPANY

Bank of Baroda

EPC CONTRACTOR TO COMPANY

Ircon International Limited

REGISTERED OFFICE

C-4, District Centre, Saket, New
Delhi-110017

CONTACT PERSON

Shri Laksheya Sharma

Company Secretary

Email id: csirconvkel@gmail.com

Tel: 9821594333

BOARD OF DIRECTORS



**Shri Ajay Pal Singh
(Chairman)**



**Shri Santanu Mukherjee
(Director)**



**Shri Masood Ahmad
(Director)**



**Smt. Aradhana Garg
(Director)**

CHAIRMAN'S MESSAGE



Dear Shareholders,

It gives me immense pleasure to welcome you all to the Eighth (8th) Annual General Meeting (AGM) of Ircon Vadodara Kim Expressway Limited (IrconVKEL) and present to you the Directors Report and Audited Financial Statements for the financial year ended 2025-26. I would like to express my sincere gratitude for making it convenient to attend this meeting.

About the Company

Your Company is a wholly-owned subsidiary of Ircon International Limited (IRCON), incorporated as a Special Purpose Vehicle on 16th May, 2018, to execute the project of Eight Lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sanpa to Padra Section of Vadodara Mumbai Expressway) (Phase – IA – Package II) in the State of Gujarat, pursuant to conditions of award of Vadodara Kim Expressway Project by NHAI. The concession period of the project comprises of construction period 730 days from the appointed date i.e., 31st January, 2019 and operation period of 15 years commencing from Commercial Operation Date (COD).

NHAI vide its letter dated 11th June, 2024 had conveyed its satisfaction on the Completion Certificate issued by independent engineers in accordance with the clause 14.2 of Concession Agreement w.e.f. 09th January, 2024 for the above operating part of 32.00 Km of the project stretch, provisional COD had already been declared on 25th August, 2022. The project can safely and reliably be placed in the commercial services of users thereof.

Financial Performance

IrconVKEL had signed the Concession Agreement with NHAI at Bid Project Cost of Rs. 1,865 Crore excluding operation and maintenance (O&M) cost. The Company has successfully achieved payment milestone of the project set to be achieved during construction in terms of Concession Agreement. Consequently, the Company is eligible for receipt of remaining payment of Annuity from NHAI.

As on 31st March, 2026, Net Worth of your Company is Rs. 414.40 Crore, Total Income is Rs.120.77 Crore and Profit After Tax (PAT) is Rs.44.66 Crore as compared to Net Worth of Rs.

382.75 Crore, Total Income of Rs. 137.68 Crore and Profit After Tax (PAT) of Rs. 46.42 Crore in the previous year.

Compliances and Disclosures

Corporate Governance: Compliances and Disclosures under the Companies Act, 2013 and rules thereunder are being fully adhered to by your Company. As per Office Memorandum dated 10th July 2014 and 11th July 2019 issued by Department of Public Enterprises, CPSEs constituted as Special Purpose Vehicle (SPV) are exempted from compliance of the DPE Guidelines on Corporate Governance for CPSEs. Hence, these are not applicable on your company.

Acknowledgements

I, on behalf of Board of Directors, express my heartfelt thanks for the valuable assistance and co-operation extended to the Company by Ministry of Road, Transport & Highways (MoRTH), National Highways Authority of India (NHAI), Independent Engineers of NHAI, Ircon International Limited, Auditors of the Company and all those who have supported and guided us during the year. I express my deep gratitude to all employees for their dedication, intellect, hard work and tireless efforts that they put in every day with a sense of purpose and pride. And last, but not least, I would like to thank my colleagues on the Board for their guidance and continuous support.

We look forward to your continued support in our journey ahead.

**For and on behalf of
Ircon Vadodara Kim Expressway Limited**

Sd/-
(Ajay Pal Singh)
Chairman
DIN: 07315969

Date: 03.09.2026
Place: New Delhi

DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting the **8th Annual Report of Ircon Vadodara Kim Expressway Limited (IrconVKEL)** together with the Audited Financial Statements of the Company and Auditor's Report for the financial year ended 31st March, 2026.

1. BUSINESS OPERATIONAL HIGHLIGHTS & PRESENT STATE OF COMPANY'S AFFAIRS:

IrconVKEL, a wholly-owned subsidiary of IRCON, incorporated as a Special Purpose Vehicle on 16th May, 2018, pursuant to conditions of award of Vadodara Kim Expressway Project in the State of Gujarat by NHAI with the main object of IrconVKEL is to carry on the business of development, maintenance and management of Eight lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sanpa to Padra Section of Vadodara Mumbai Expressway) in the State of Gujarat under NHDP Phase – VI Hybrid Annuity Mode (Phase IA-Package II) on design, build, finance, operate and transfer basis.

IrconVKEL entered into Concession Agreement with NHAI on 25th May, 2018 with a construction period of 730 days from the appointed date i.e., 31st January, 2019 and operation period of 15 years commencing from Commercial Operation Date (COD) and Scheduled Completion Date was 29th January, 2021. The bid project cost of the project is Rs.1865 crore excluding O&M cost.

The project has achieved Provisional Completion, well within approved extended time by the NHAI. Provisional Completion Date i.e., PCOD was declared for 25th August, 2022 for the length of 31.785 Kms out of 32.000 Kms. Work was not completed in the balance stretch of 215 m due to land acquisition issues.

A Supplementary Agreement was signed between IrconVKEL and NHAI on 14th October, 2022 and 60 days was granted to complete the balance stretch from the date of clearance of land issues.

NHAI vide its letter dated 11th June, 2024 has conveyed its satisfaction on the Completion Certificate issued by independent engineers in accordance with the clause 14.2 of Concession Agreement w.e.f. 09th January, 2024 for the above operating part of 32.00 km of the project stretch. The project can safely and reliably be placed in the commercial services of users thereof.

Your Company has already availed term loan of Rs. 724.12 Crore from Bank of Baroda (BOB) to finance the project and as on March 31, 2026, the outstanding loan is Rs. 482.76 Crore.

2. FINANCIAL HIGHLIGHTS:

In pursuance of the provisions enumerated under Companies (Indian Accounting Standards) Rules, 2015, the Company, has prepared its Annual Financial Statements for the financial year 2025-26 as per Indian Accounting Standards (IND-AS).

Financial performance indicators as on 31st March 2026:

(Rs. in Crore)

Sl. No.	Particulars	For the Financial Year ended 31.03.2026	For the Financial Year ended 31.03.2025
1.	Equity Share Capital	10.00	10.00
2.	Instruments entirely equity in nature	195.74	195.74
3.	Other Equity	208.66	177.01
4.	Net Worth	414.40	382.75
5.	Borrowings (including current maturities)	482.76	551.72
6.	Total Assets and Liabilities	904.90	945.74
7.	Revenue from Operations	117.54	134.58
8.	Other Income	3.23	3.10
9.	Total Income (6) + (7)	120.77	137.68
10.	Profit Before Tax	60.03	62.43
11.	Profit After Tax	44.66	46.42
12.	Earnings Per Equity Share (on face value of Rs.10/- per share)		
	(i) Basic	44.66	46.42
	(ii) Diluted	44.66	46.42

3. DIVIDEND & APPROPRIATION TO RESERVE:

For the financial year 2025-26, your Company has declared an interim dividend as per Section 123 of Companies Act, 2013, viz. Rs. 13/- per Equity Share in January, 2026 out of profits of the Company for the financial year 2025-26 and the same was paid within the timelines prescribed under the Companies Act, 2013. The total dividend payout for the year ended 31st March, 2026 amounts to Rs. 13 Crore.

As per the applicability of IND AS, Reserves are reflected as Retained Earnings under the head 'Other Equity' in Financial Statements and your Company has a balance of Rs. 208.66 Crore in Retained Earnings as on 31st March, 2026.

4. CREDIT RATING

During the Financial Year 2025–26, CARE Ratings Limited, vide its letter dated 24th July 2025, upgraded the rating of your Company from CARE AA+ to CARE AAA. Recently, M/s Infomerics Valuation and Rating Limited vide their press release dated 7th August, 2026 assigned IVR AAA rating to IrconVKEL. Further, M/s CARE Ratings Limited vide their letter dated 26th August, 2026 had withdrawn their rating as per the request of the Company. Accordingly, the Company's long-term bank facilities amounting to ₹482.76 crore are rated IVR AAA (Stable) by M/s Infomerics Valuation and Rating Limited.

5. SHARE CAPITAL/ DEMATERIALISATION:

The Authorized Share Capital and the Paid-up Share Capital of the Company as on 31st March, 2026 is Rs. 10 Crore comprising of 10,000,000 Equity Shares of Rs. 10/- each. During the

financial year ended 31st March, 2026, there was no change in the share capital of your Company and Ircon International Limited (IRCON) continues to hold 100% paid-up share capital of IrconVKEL.

As on 31st March, 2026, the Promoter Company (IRCON) has invested Rs. 195.74 Crore as interest free loan (which is accounted as "Instruments entirely Equity in nature" under the head 'Equity' in the financial statements of IrconVKEL in addition to Rs. 10 Crore in equity share capital, not exceeding the total investment of Equity Share Capital of Rs. 205.74 Crore.

As per Rule 9A of the Companies (Prospectus and Allotment of Securities) Amendment Rules, 2019 dated 22nd January, 2019, the Company being a wholly owned subsidiary (WoS) is not required to get its securities in dematerialised form.

6. CASH FLOWS FROM THE PROJECT:

The Company is having a Cash Flows from operating activities of Rs. 69.02 Crore for the financial year ended 31st March, 2026.

7. DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES:

For the period under review, there was no Subsidiary/ Joint Ventures/ Associate Companies of the Company.

8. BOARD OF DIRECTORS & KEY MANAGEMENT PERSONNEL:

Board of Directors:

CATEGORY & NAME OF THE DIRECTORS WITH DESIGNATION DURING THE FINANCIAL YEAR 2025-26

As per Articles of Association of the Company, the Directors on the Board of the Company are appointed by the holding company (IRCON).

As on 31st March, 2026, the Board comprised of four (4) Directors including Chairman. Details of Directors are as follows:

Name & Designation	DIN	Appointment or Cessation (during the FY, if any)
Shri Ajay Pal Singh Chairman	07315969	appointed w.e.f. 1 st November, 2025
Shri Masood Ahmad Director	09008553	-
Shri Santanu Mukherjee Director	10895834	-
Smt. Aradhana Garg Director	10477168	-

During the financial year 2025-26, following changes took place in the composition of Board of Directors of your Company:

1. Shri Parag Verma, Chairman and Part-time (Nominee) Director of your Company, ceased to be the Chairman and Director of your Company consequent to withdrawal of nomination by the IRCON (Holding Company) w.e.f. 1st May, 2025.
2. IRCON (Holding Company) nominated Shri Yogesh Kumar Misra, ED/Infra as Chairman and Additional Part-time (Nominee) Director of your Company w.e.f. 1st May, 2025 vice Shri Parag Verma.
3. Shri Yogesh Kumar Misra, Chairman and Part-time (Nominee) Director of your Company, ceased to be the Chairman and Director of your Company consequent to withdrawal of nomination by the IRCON (Holding Company) w.e.f. 31st October, 2025.
4. IRCON (Holding Company) nominated Shri Ajay Pal Singh, ED/BD as Chairman and Additional Part-time (Nominee) Director of your Company w.e.f. 1st November, 2025 vice Shri Yogesh Kumar Misra.

The Board placed on record its appreciation for the valuable contribution, guidance & support given by Shri Yogesh Kumar Misra during his tenure as Director of the Company.

Your Company has received a notice under section 160 of the Companies Act, 2013 from Shri Ajay Pal Singh giving his candidature for appointment as Director, liable to retire by rotation, in the Annual General Meeting (AGM) of the Company.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Smt. Aradhana Garg shall retire by rotation at the Annual General Meeting of your Company and being eligible to offer herself for re-appointment. The Board of Directors recommends her re-appointment as Director and her brief resume is annexed to the Notice of the Annual General Meeting.

None of the Directors is disqualified from being appointed/ re-appointed as Director.

Key Managerial Personnel:

Pursuant to Section 203 of the Companies Act, 2013, the Board of Directors of the Company has designated the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary (CS) as the Key Managerial Personnel (KMP) of the Company. The details of KMPs as at 31st March, 2026 are as follows:

Key Personnel of Company	Date of Appointment	Designation
Shri C. Santha Kumar	11 th July, 2025	Chief Executive Officer
Shri Raj Kumar	20 th November, 2018	Chief Financial Officer
Shri Laksheya Sharma	12 th August, 2025	Company Secretary

During the financial year 2025-26, Shri Deepak Kumar Garg ceased to be CEO of your Company w.e.f. 11th July, 2025.

9. BOARD MEETINGS

During the financial year 2025-26, the Board met Seven (7) times on 29.04.2025, 15.07.2025, 29.07.2025, 13.08.2025, 30.10.2025, 30.01.2026 and 16.02.2026. The interval between two

Board Meetings were within the period prescribed under the Companies Act, 2013. The attendance detail of the Board Meetings is as follows:

Date of The Meeting	Board Strength	No. of Directors Present
29.04.2025	4	4
15.07.2025	4	4
29.07.2025	4	4
13.08.2025	4	4
30.10.2025	4	3
30.01.2026	4	4
16.02.2026	4	3

The table below shows attendance of the Board members at the Board Meetings held during the financial year 2025-26 and their attendance in the last Annual General Meeting (AGM):

Name of Director	Meeting Date							Whether attended last AGM held on 29-08-2025	Total Board Meetings entitled to attend during financial year 2025-26	No. of Board Meetings attended during financial year 2025-26	% of Attendance
	29.04.2025	15.07.2025	29.07.2025	13.08.2025	30.10.2025	30.01.2026	16.02.2026				
Shri Parag Verma	✓	NA	NA	NA	NA	NA	NA	NA	1	1	100
Shri Yogesh Kumar Misra	NA	✓	✓	✓	✓	NA	NA	Y	4	4	100
Shri Ajay Pal Singh	NA	NA	NA	NA	NA	✓	✓	NA	2	2	100
Shri Masood Ahmad	✓	✓	✓	✓	No	✓	✓	Y	7	6	85.71
Shri Santanu Mukherjee	✓	✓	✓	✓	✓	✓	✓	Y	7	7	100
Smt. Aradhana Garg	✓	✓	✓	✓	✓	✓	No	Y	7	6	85.71

10. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE MEETINGS

As on 31st March, 2026, Corporate Social Responsibility (CSR) Committee comprised of Shri Masood Ahmad as Chairman and Shri Santanu Mukherjee as member of the Committee.

During the financial year 2025-26, the CSR Committee met Three (3) times on 25-04-2025, 29-07-2025 and 16-02-2026.

The details of Members including change, if any, in their tenure, No. of Meetings held during the year and attendance of the Members are as under:

S. No.	Name of Member	Designation of Member	Tenure of Member		No. of Meetings	
			From	To	Held during the year	Attended during respective tenure
1.	Shri Masood Ahmad	Chairman	04.08.2022	Continuing	3	3
2.	Shri Santanu Mukherjee	Member	06.01.2025	Continuing	3	3

11. INDEPENDENT DIRECTORS, BOARD COMMITTEES & CORPORATE GOVERNANCE GUIDELINES ISSUED BY DPE:

Ministry of Corporate Affairs (MCA) vide its notification dated 05th July, 2017 exempted an unlisted public company which are wholly-owned subsidiary from the requirement of appointment Independent Directors on its Board and constitution of Audit Committee and Nomination & Remuneration Committee (NRC).

IrconVKEL, is unlisted public company and a wholly-owned subsidiary company of IRCON, therefore, is not required to appoint any Independent Director on its Board and the declaration by the Independent Directors is not applicable on the Company.

Further, in terms of Department of Public Enterprises (DPE)'s Office Memorandum (OM) dated July 8-10, 2014, read with OM dated 11th July, 2019, CPSE's constituted as Special Purpose Vehicle (SPV) are exempted from compliance with the DPE Guidelines on Corporate Governance for CPSEs. Hence, Corporate Governance Guidelines of DPE are not applicable on IrconVKEL.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- that in the preparation of the annual financial statements for the financial year ended 31st March, 2026, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies have been selected and applied consistently and judgment and estimates have been made 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 i.e. 31st March, 2026 and of the Profit & Loss of the Company for that period;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**13. DIRECTOR'S OBSERVATION AND COMMENTS FOR FINANCIAL STATEMENTS
(EXPLANATION FOR ANY COMMENTS MADE BY AUDITORS IN THEIR REPORT)**

The Notes to Accounts forming part of the financial statements are self-explanatory and need no further explanation.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation.

14. AUDITORS

Statutory Auditor

M/s. A J Mohan & Associates, Chartered Accountants, were appointed as Statutory Auditors for the financial year 2025-26 vide CAG letter No. CA.V/COY/CENTRAL GOVERNMENT, IVKEL(1)/1789 dated 12th September, 2025. They have confirmed by way of a written consent and certificate as required under Section 139(1) of the Companies Act, 2013.

Cost Auditor

Cost Audit was not applicable to Company for the financial year 2025-26.

However, in accordance with the provisions of Section 148(1) of the Act, read with Companies (Cost Records and Audit Rules), 2014, the Company has maintained cost accounts and records.

Secretarial Auditor

The Board of Directors appointed M/s. Kumar Naresh Sinha & Associates, Practising Company Secretaries, as Secretarial Auditor of the Company for the financial year 2025-26 for conducting Secretarial Audit of the Company in accordance with the provisions of Section 204 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Internal Auditor

The Board of Directors appointed M/s Singhal Sunil & Associates, Chartered Accountants as Internal Auditors for the financial year 2025-26, for conducting Internal Audit of the Company.

**15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186
OF THE COMPANIES ACT, 2013**

There are no transactions of loans, guarantees and investments as covered under the provisions of Section 186 of the Companies Act, 2013, during the financial year under review.

16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the financial year 2025-26, the related party transactions with the holding company, IRCON were in the ordinary course of business and on an arm's length basis and approved

in terms of the Companies Act, 2013. The details of the related party transactions in form AOC-2 is enclosed to this report as **Annexure–A**.

17. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER THE CLOSURE OF THE FINANCIAL YEAR

No material changes and commitments have occurred which affect the financial position of the Company between the end of the financial year and the date of this report.

18. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out hereunder:

A. Conservation of energy:

- i. the steps taken or impact on conservation of energy – Nil
- ii. the steps taken by the Company for utilizing alternate sources of energy – Nil
- iii. the capital investment on energy conservation equipment – Nil

B. Technology absorption:

- i. the efforts made towards technology absorption: Not Applicable
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution: Not Applicable
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year): Not Applicable
 - a. the details of technology imported;
 - b. the year of import;
 - c. whether the technology been fully absorbed;
 - d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development: Not Applicable

C. Foreign exchange earnings and Outgo:

There was no Foreign Exchange Earnings and Foreign Exchange Outgo during the financial year 2025-26.

19. RISK MANAGEMENT

The Company has a Risk Management Policy duly approved by the Board of Directors, which provides a framework for identifying, assessing and mitigating various risks associated with its operations.

20. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Every company having net worth of Rs. 500 crore or more or turnover of Rs. 1000 crore or more or a net profit of Rs. 5 crore or more during the immediately preceding financial year is

required to spend in every financial year, at least 2% of average net profits of the company made during the immediately three preceding financial years.

Since, the net profit (PBT) of the Company for the financial year ended 31st March, 2025 was Rs. 62.43 Crore which exceeds the above-mentioned threshold limit, therefore, the provision of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 was applicable to the Company for the financial year 2025-26.

In compliance with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted CSR Committee with two Directors as Member and Company Secretary of the Company as Secretary to the CSR Committee.

Your Company is committed to compliance with the requirement of all applicable laws, rules, regulations and ensure transparency while conducting the business in an ethical manner.

During the financial year 2025-26, against total CSR Budget of Rs. 104.25 lakh, entire amount of Rs. 104.25 lakh has been spent on CSR activities. The Annual Report on CSR activities required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **Annexure-B** forming part of this report.

21. PARTICULARS OF EMPLOYEES

As per Notification dated 05th June, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with the provisions of Section 197 of the Companies Act, 2013 and corresponding rules under Chapter XIII.

IIconVKEL being a government company is not required to disclose information on the remuneration of employees falling under the criteria prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 as a part of the Directors' Report.

22. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the company during the financial year 2025-26.

23. PUBLIC DEPOSITS

During the financial year ended 31st March, 2026, your Company had not invited any deposits from its members pursuant to the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

24. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate system of internal financial controls with reference to financial statements. All the transactions were properly authorized, recorded and reported to the Management. The Company is following all the applicable Indian Accounting Standards for properly maintaining the books of account and reporting in the financial statements. Your

Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

25. SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No significant material order(s) had been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future during the financial year 2025-26.

26. COMPLIANCE OF MSME GUIDELINES FOR IMPLEMENTATION OF PURCHASE PREFERENCE POLICY

In compliance of the government guidelines, Company has onboarded on all five (5) operational TReDS platforms during the FY 2025-26.

Details of the onboarding on TReDS platforms are as under:

Platforms	Date
RXIL	27.09.2019
M1xchange	23.02.2026
DTX	05.02.2026
C2treds	18.02.2026
INVOICEMART	27.02.2026

27. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company being a wholly owned subsidiary of IRCON, the 'Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace' of IRCON (POSH Policy) is applicable on the Company and the Internal Committee of IRCON deals with all the matters under POSH Act.

During the period under review, there was no incidence where any complaint relating to sexual harassment was reported pursuant to Section 22 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The number of sexual harassment complaints received during the year - 0

The number of such complaints disposed-off during the year - 0

The number of cases pending for more than ninety days - 0

28. STATEMENT ON MATERNITY BENEFIT COMPLIANCE

The Company is in compliance with the provisions relating to the Maternity Benefit Act, 1961.

29. VIGIL MECHANISM

The Company has established a mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Code. It also provides for adequate safeguards against the victimization of employees who avail the mechanism. Being a wholly owned subsidiary of IRCON, for employees nominated and deputed from IRCON, the Whistle Blower Policy of IRCON is applicable, which is available on the website at <https://ircon.org/sites/default/files/2025-02/Whistle-Blower-Policy.pdf>

For other persons in employment of the Company, complaint/ reporting under Vigil Mechanism, can be addressed to:

Shri Ajay Pal Singh, Chairman,
Ircon Vadodara Kim Expressway Limited (IrconVKEL)
Address: Ircon International Limited,
C-4, District Centre, Saket, New Delhi- 110017
Phone No.: +91 9958883777, Email id: ajaypal.singh@ircon.org

30. RIGHT TO INFORMATION

No application under Right to Information Act, 2005 was received by your company during the financial year 2025-26.

31. PERFORMANCE EVALUATION OF BOARD MEMBERS

Pursuant to the notification of Ministry of Corporate Affairs dated 5th June 2015, sub-sections (2), (3) & (4) of Section 178 and sub-section (3)(p) of Section 134 regarding the performance evaluation shall not apply to Directors of Government Company.

Being a Government Company and a wholly-owned subsidiary of Ircon International Limited, all part-time Directors of the Company are nominated by the holding company, IRCON. The evaluation of these nominated directors is done by the holding company as per pre-defined criteria in line with the guidelines of the Government of India. Hence, performance evaluation of Directors is not applicable on your company.

32. SECRETARIAL STANDARDS

During the financial year 2025-26, the Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

33. SECRETARIAL AUDIT REPORT

The “Secretarial Audit Report” of the Company for the financial year 2025-26 from the Secretarial Auditors in Form MR-3 as required under Section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is placed as **Annexure–C** to this Report. The Secretarial Auditors have given an unqualified report. The report is self-explanatory and does not require any further comments by the Board.

34. STATUTORY AUDITORS’ REPORT AND COMPTROLLER AND AUDITOR GENERAL OF INDIA (C&AG) COMMENTS

The reports of the Statutory Auditors on the Financial Statements for FY 2025–26 attached separately as part of the Annual Report. There are no qualifications, reservations or adverse

remarks made by Statutory Auditor, in their report for the financial year ended on 31st March, 2026.

Comptroller and Auditor General of India (C&AG) has conducted supplementary audit under section 143(6)(a) of the Companies Act, 2013 of Financial Statements for the Financial year ended 31st March, 2026. Pursuant to the comments of C&AG, Statutory Auditor issued Revised Auditors Report dated 29th July, 2026 which does not contain any qualification, reservations or adverse remarks and nil impact on the financials. CA&AG have given “No Further Comments” on Financial Statements for the Financial Year ended 31st March, 2026. Copy of C&AG letter dated 11th August, 2026, placed at **Annexure-D** to this report.

35. APPLICATION/ PROCEEDING PENDING UNDER INSOLVENCY & BANKRUPTCY CODE, 2016

There are no proceeding initiated/ pending against the Company under the Insolvency & Bankruptcy Code, 2016 which materially impact the business of the Company.

36. ACKNOWLEDGEMENT

We thank Ircon International Limited, Ministry of Road Transport & Highways (MORTH)/ National Highway Authority of India (NHAI), various other Government Agencies, Banks, Comptroller & Auditor General of India (CA&G) and Statutory, Secretarial, Cost and Internal Auditors, for their support and look forward to their continued support in the future.

We also place on record our appreciation for the contribution made by our employees at all levels. Your Board of Directors also takes this opportunity to convey their gratitude and sincere thanks for the cooperation and assistance received from the Shareholders during the period under report. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

**For and on behalf of Board of Directors of
Ircon Vadodara Kim Expressway Limited**

Sd/-
(Ajay Pal Singh)
Chairman
DIN: 07315969

Date: 03.09.2026
Place: New Delhi

ANNEXURE – A

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto for the financial year 2025-26:

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
2. Details of material contracts or arrangements or transactions at arm's length basis: as follows

Sr.No.	Nature of contracts or arrangements or transactions	Duration of the contracts or arrangements or transactions	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	EPC Agreement (For Appointing Ircon International Limited as EPC Contractor for development, maintenance and management of Eight lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sanpa to Padra Section of Vadodara Mumbai Expressway) in the State of Gujarat	730 days from the appointed date and as extended by NHAI subsequently	Agreement dated 09.11.2018 and addendums dated 10.08.2019 & 03.01.2020 The Contract has been awarded to IRCON for a consideration of Rs.1,377.73 crore inclusive GST @ 12%.	18 th July, 2018 29 th July, 2019 18 th December, 2019 Respectively	NIL
2.	Lease Agreement (To take on lease the Office Premises of IRCON)	Two Years (01-04-2025 to 31.03.2027)	Lease Agreement executed on 30 th April, 2025 for rent @ Rs.25,695/- p.m. plus GST	29 th April, 2025	NIL

AOC-2

3.	O & M Work IrconVKEL vide letter dated 15-05-2023 awarded additional work of Rs.43.29 Crore (including GST & Escalation) for O & M works for a period of 4 years after commencement of PCOD w.e.f. 26-08-2022	Four Years after commencement of PCOD w.e.f. 26-08-2022	IrconVKEL vide letter dated 15-05-2023 awarded additional work of Rs.43.29 Crore (including GST & Escalation) for O & M works for a period of 4 years after commencement of PCOD w.e.f. 25-08-2022	26 th August, 2022	NIL
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Note:

1. Apart from above said transactions, IRCON has deputed its employees i.e. CEO, CFO, CS and other staffs to IrconVKEL and the salary, benefits (like PF, GIS, Society deduction, related payments, etc.) and other miscellaneous payment in nature of travelling/ ticket cost etc. paid to such deputed employees as per IRCON's policy are reimbursed on actual cost basis.

**For and on behalf of Board of Directors of
Ircon Vadodara Kim Expressway Limited**

Sd/-
(Ajay Pal Singh)
Chairman
DIN: 07315969

Date: 03.09.2026

Place: New Delhi

Annual Report on CSR & Sustainability

1. Brief outline on CSR Policy of the Company.

Corporate Social Responsibility (CSR) is a company's commitment to address social, ethical and environmental concerns in which it operates and contribute to develop a sustainable society through sustainability initiatives by conducting business in a manner that is beneficial to both, business and society.

IIconVKEL is committed to undertake Corporate Social Responsibility (CSR) activities in accordance with provision of Section 135 of Companies Act, 2013 ("the Act") and Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), as amended time to time and Department of Public Enterprises (DPE) Guidelines, 2014 (hereinafter collectively referred to as "CSR laws"), with the former taking precedence over the later in case of any conflict.

CSR Budget shall be fixed for each financial year with the approval of the Board of Directors. The CSR spending shall be at least 2% or such percentage as defined under the Companies Act, 2013 and rules made thereunder of the average net profits of the company made during the immediately preceding three financial years. Every endeavor shall be made to spend the entire yearly budget on CSR activities in that year itself. The Company may allocate more fund for the CSR activities in any financial year than the amount prescribed under the Act.

The Board shall ensure that the CSR activities undertaken by the Company should be within the scope of the activities as prescribed in Schedule VII of the Act and as amended from time to time.

Those CSR activities, which are closely aligned with the strategy of the Company & the areas where the company has core competence, like creation of infrastructure, the implementation of CSR activity will be taken up with the Company's own manpower & resources, following the due procedure and transparency norms. In such cases evaluation shall be assigned to an independent external agency for sake of objectivity and transparency.

In other cases, where the Company does not have in house expertise, the CSR activities can be undertaken by the Company through:

- (a.) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- (b.) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- (c.) any entity established under an Act of Parliament or a State legislature.

If any amount spent in excess of requirement as per sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 upto immediate succeeding three financial years subject to the conditions that:

- i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any.
- ii) the Board shall pass a resolution to that effect.

2. Composition of CSR Committee

S.No.	Name and designation of Member(s)	No. of Meeting of CSR Committee held during the year	No. of Meeting of CSR Committee attended during the year
1.	Shri Masood Ahmad <i>Chairman</i> (Part-time (Nominee) Director)	Three (3)	Three (3)
2.	Shri Santanu Mukherjee Member (Part-time (Nominee) Director)	Three (3)	Three (3)

Since Company is not required to appoint an independent director under sub-section (4) of section 149, therefore, as per Section 135 of Companies Act, 2013, the CSR Committee of the Company presently consists of 2 Directors as Member namely Shri Masood Ahmad and Shri Santanu Mukherjee.

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.: N.A.

4. Provide the execute summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 if applicable.:

Not applicable for this financial year. Further, none of the Completed CSR activities taken up during FY 2025-26 were of Rs.1 crore or above for which impact assessment is required.

5. (a) Average net profit of the company as per sub-section (5) of section 135: Rs.5212.44 lakh.

(b) Two percent of average net profit of the company as per section 135(5): Rs.104.25 lakh

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: N.A.

(d) Amount required to be set off for the financial year, if any: N.A.

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs.104.25 lakh

6.

(Rs. in lakh)

(a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects)	175.52
(b) Amount spent in Administrative Overheads	0.00
(c) Amount spent on Impact Assessment, if applicable	Nil
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	175.52

(e) CSR amount spent or unspent for the financial year:

(Rs. in lakh)

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
104.25	NIL	NIL	NIL	NIL	NIL

(f) Excess amount for set off, if any

Sl. No.	Particulars	Amount (Rs. in lakh)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	104.25
(ii)	Total amount spent for the Financial Year	104.25
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

7. **Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6	7	8
SI.No	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in Rs.)	Deficiency, if any
		Amount (Rs.inLakh)			Amount (in Rs.)	Date of Transfer	
1	2022-23				NIL		
2	2023-24				NIL		
3	2024-25	82.76	11.49	71.27	-	11.49	-
	Total	82.76	11.49	71.27	-	11.49	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes
 ☒ No

If yes, enter the number of Capital assets created/ acquired:- **N.A.**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **N.A.**

SI.No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
	Not Applicable						

9. Specify the reason(s), if the company has failed to spend two per cent of the

average net profit as per section 135(5): Out of total approved CSR budget of Rs. 104.25 Lakhs, the Company has spent entire amount of Rs. 104.25 Lakhs during the FY 2025-26.

Chairman of the Company	Chairman and Member of the CSR Committee
Sd/- Shri Ajay Pal Singh Chairman and Director (DIN: 07315969)	Sd/- Shri Masood Ahmad Director & Chairman- CSR Committee (DIN: 09008553)

Date: 03.09.2026

Place: New Delhi

Form MR-3
Secretarial Audit Report
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To,
The Members,
IRCON VADODARA KIM EXPRESSWAY LIMITED (IrconVKEL)
C-4, District Centre, Saket,
South Delhi, Delhi-110017, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IRCON VADODARA KIM EXPRESSWAY LIMITED [CIN: U74999DL2018GOI334028]** (hereinafter called “the Company”) having its Registered Office at C-4, District Centre, Saket, South Delhi, Delhi-110017. 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 ended on **March 31, 2026** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on **March 31, 2026** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (**Not Applicable during the period under review**)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (**Not Applicable during the period under review**)
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**Not Applicable during the period under review**)

- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable during the period under review)**
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable during the period under review)**
 - (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable during the period under review)**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable during the period under review)**
 - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client; **(Not Applicable during the period under review)**
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable during the period under review)** and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable during the period under review)**
- (vi) For the purpose of examining adequacy of compliance with other applicable laws including industry / sector specific laws, under both Central and State legislation, reliance has been placed on the representation made by the Company and its officers for systems and mechanism formed by the Company for the compliance under these laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same has been subject to review by the statutory auditor and other designated professionals.

We have also examined compliance with the applicable provisions of the following:

- i. Clauses of the Secretarial Standards issued by Institute of Company Secretaries of India;
- ii. Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises vide their OM No. 18(8)/2005-GM dated 14th May, 2010.

(However, it is understood that as the Company is constituted as Special Purpose Vehicle (SPV), having exemption for appointment of independent directors, submitting Quarterly report and other Compliances of Corporate Governance Guidelines issued by Department of Public Enterprises (DPE), vide its O.M. dated July 11, 2019 and July 8, 2014.)

During the period under review and as per the explanations and representations made by the officers and management and subject to the clarifications given to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is comprised of Non-Executive Directors, being nominated by the Promoter (including woman Director). The Changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, including Committees thereof, along with agenda and detailed notes on agenda were generally sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the members' views are captured adequately and recorded as part of the minutes.

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

We further report that during the audit period the Company has:

a) Paid Interim Dividend of Rs.13 Crore on each fully paid-up equity share of Rs.10/- to IRCON International Limited (Holding Company) for the financial year 2025-26.

Place: Noida

Date: 06.07.2026

**For, Kumar Naresh Sinha & Associates
Company Secretaries**

Naresh
Kumar Sinha

Digitally signed by
Naresh Kumar Sinha
Date: 2026.07.06
16:13:18 +05'30'

Naresh Kumar Sinha

Proprietor

FCS No.: 1807; CP No.: 14984

FRN: S2015UP440500

Peer Review: 6220/2024

UDIN: F001807H000756451

*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,

IRCON VADODARA KIM EXPRESSWAY LIMITED (IrconVKEL)

C-4, District Centre, Saket,

South Delhi, Delhi-110017, India

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our finding/ 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 the random 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. Wherever 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 random 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: Noida

Date: 06.07.2026

For, Kumar Naresh Sinha & Associates
Company Secretaries

Naresh
Kumar
Sinha

Digitally signed by
Naresh Kumar Sinha
Date: 2026.07.06
16:17:36 +05'30'

Naresh Kumar Sinha
Proprietor

FCS No.: 1807; CP No.: 14984

FRN: S2015UP440500

Peer Review: 6220/2024

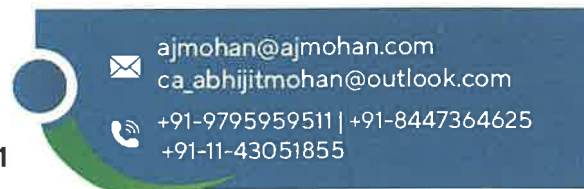
UDIN: F001807H000756451



A J MOHAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Head Office: 25, Babar Road, New Delhi - 110001



**REVISED INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF IRCON VADODARA KIM EXPRESSWAY LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **IRCON VADODARA KIM EXPRESSWAY LIMITED** (the "Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "Standalone Ind As financial statements").

This report, revised consequent upon observations of Comptroller and Auditor General of India during the course of audit under Section 139(5) of the Companies Act, 2013 for the year ended 31st March 2026, supersedes our earlier report dated 05.05.2026 issued under Section 143 of the Companies Act, 2013.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind As') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the



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

Key Audit Matters

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

We have determined that there are no Key Audit Matters to communicate in our report.

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The accompanying standalone Ind AS financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows 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 from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating



effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Ind AS 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

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



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), and the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. Being a government company, provision of section 164(2) of the Act are not applicable pursuant to the notification No. G.S.R.463(E) dated 5th June 2015, issued by the Central Government of India.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. Being a government company, provision of section 197 of the Act are not applicable vide notification no. GSR 463 (E) dated 5th June 2015, issued by the Central Government of India.
 - 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 does not have any pending litigations which would have a material impact on its financial position.



- ii. Based on the assessment made by the Company, there are no material foreseeable losses on long-term contracts that may require any provisioning. The Company did not have any 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, no funds (which are material either individually or in the aggregate) 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 entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Board of Directors at its meeting held on 30 January 2026 declared and paid interim dividend during the year ended 31 March 2026 amounting to Rs. 1,300 lakhs (Rs 13 per equity share of face value Rs 10 each), in compliance with Section 123 of the Companies Act, 2013.

Further, the Board of Directors has recommended a final dividend of Rs. 358 lakhs (Rs 3.58 per equity share of face value Rs 10 each) for the year, which is subject to the approval of the



shareholders at the ensuing Annual General Meeting. As the same was not approved as at 31 March 2026, no liability has been recognized in the financial statements in accordance with applicable accounting standards. In accordance with Ind AS 10, the proposed final dividend has been disclosed as an event after the reporting period and will be recognized in the period in which it is approved by the shareholders.

- vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 for record retention.

3. As required by Section 143(5) of the Act and as per directions issued by Comptroller and Auditor General of India, we report that:

S.NO.	CAG Directions	Auditors Replies
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The Company does not maintain any Trusts for post-retirement benefits of its employees, and consequently, no investments are held through such Trusts. The Company's obligations towards post-employment benefits, specifically gratuity, have been evaluated based on the actuarial valuation report obtained from an independent actuary. Based on our review of the actuarial valuation report and related information provided by the management, no material misstatements have been identified in respect of the valuation of post-employment benefit obligations, and the same is appropriately accounted for in accordance with applicable accounting standards. Since the Post Retirement Benefit fund maintained and invested by the holding company hence the requirement of the direction dealt by the holding company.
2.	Whether the Company has a	The Company has SAP S/4 Hana system to

	system in place to process all the accounting transactions through IT system? If yes, whether review of this system and controls that are significant to the Companies' financial reporting process as well as cyber security has been done by Information Security Auditing Organizations empaneled by Cert-In at a minimum frequency of once in a year and material discrepancies found, if any, have been suitably reported? The implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications may also be reported.	process all the accounting transactions and used for preparation of the financial accounts. As per the audit procedures carried out and as per the information and explanations given to us, there is no accounting transaction processed outside IT System for which no financial implication was observed. The matters relating to cyber security assurance are addressed at the level of the Holding Company. The holding company has undertaken a cyber security assessment through Cybercube Services Pvt Ltd (empanelled by CERT-In for providing Information Security Auditing Service) vide its certificate dated 03.12.2025 to identify gaps over infrastructure, applications and process around business application runs and no material discrepancy was observed.
3.	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilised as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	According to the information and explanation given to us and as per our examination of records, no funds have been received/receivable for any specific scheme from Central/State Government or its agencies during the financial year 2025-26.
4.	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets and whether it has been valued appropriately?	The Company has identified its key risk areas and has formulated a Risk Management Policy to mitigate such risks, duly aligned with global best practices. The Company's data assets have been identified at the level of the Holding Company, and accordingly, their valuation and related assessments are being undertaken at that level.
5.	Whether the Company is complying with the Securities	The Company is in compliance with all applicable provisions of the rules and

and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERTIN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	regulations issued by the relevant regulatory authorities, to the extent applicable to the Company.
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Place: New Delhi
Date: 29.07.2026

For A J Mohan & Associates
Chartered Accountants
FRN: 002468N



Hasan Jawaid
(Partner)

Membership No: 468230
UDIN - 26468230IKPNVS8369

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of IRCON VADODARA KIM EXPRESSWAY LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and intangible assets.
(b) The Property, Plant and Equipment were physically verified by the management during the year. There is a regular program of verification, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.
(c) During the year no assets has been revalued by the Company, hence reporting under clause 3 (i) d of the Order is not applicable to the Company.
(d) The Company does not have any immovable properties during the year, hence reporting under clause 3 (i) (c), and 3 (i) (e) of the Order is not applicable to the company.
- II. (a) The Company does not have any inventory, hence reporting under clause 3 (ii) (a) of the Order is not applicable to the company.
(b) The Company has not been sanctioned any working capital limits, in excess of Rs 5 Crores, in aggregate at any point of time during the year, from banks or financial institutions on the basis of security of current assets, hence reporting under clause 3(ii)(b) of the Order is not applicable.
- III. The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, and any other parties, during the year, hence reporting under clause 3(iii) (a), (b), (c), (d) and (e) of the Order is not applicable to the Company.
- IV. The Company has not granted loan, made investment, and provided guarantee and security, hence clause 3(iv) of the Order is not applicable to the Company.
- V. The Company has not accepted any deposit or amounts which are deemed to be deposits, hence reporting under clause 3(v) of the Order is not applicable.
- VI. The Company has maintained cost records specified by the Central Govt. under the provisions of section 148(1) of the Companies Act, 2013. However, we are neither required to carry out, nor have carried out any detailed examination of such accounts and records.



VII. In respect of statutory dues:

- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable with the appropriate authorities.

There were no undisputed amounts payable in respect of the aforesaid statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the following statutory dues have not been deposited as on March 31, 2026 on account of disputes:

Name of the Statute	Nature of Dues	Amount (Rs. In lakhs)	Period to which it relates	Forum where dispute is pending
Central Goods and Services Tax Act, 2017	Disputed Indirect Tax Demand (including interest and penalty)	34.64	FY2022-23	Adjudicating Authority

- VIII.** According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961) which have not been previously recorded in the books of accounts.

- IX.** A) In respect of loans and borrowings taken by the Company, based on our review of accounts and as per information provided, the Company has not defaulted in payment of loans or other borrowing or in the payment of interest thereon during the year under audit.

B) The Company has not been declared willful defaulter by any bank or financial institution or any other lender.

C) Term loans received by the Company were applied for the purpose for which the loans were obtained.

D) On an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilized for long term purposes.

E) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Associates.

F) The Company has not raised any loans during the year on the pledge of securities held in associates, hence reporting under clause 3(ix)(f) of the Order is not applicable.

- X.** A) The Company has not raised moneys by way of initial public offer or further



public offer (including debt instruments) during the period and hence reporting under clause 3(x) (a) of the Order is not applicable.

B) During the period, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally), hence reporting under clause 3(x)(b) of the Order is not applicable.

- XI.** (a) According to information and explanation given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
(c) No whistle blower complaints received by the Company during the year (and upto the date of this report),
- XII.** The Company is not a Nidhi Company, hence reporting under clause (xii) of the Order is not applicable.
- XIII.** In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- XIV.** (a) In our opinion and based on our examination the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date.
- XV.** According to the information and explanation given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- XVI.** (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence reporting under clause 3(xvi) (a) and (b) of the Order is not applicable.
(b) According to the information provided and explanation given in our opinion, the Company is not engaged in the business which attracts the requirement of registration of the Company as Core Investment Company and further, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016), hence reporting under clause 3(xvi) (c) and (d) of the Order are not applicable



- XVII.** The Company has not incurred cash losses during the year covered by our audit and in the immediately preceding financial year.
- XVIII.** There has been no resignation of the statutory auditors of the Company during the year.
- XIX.** On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects for requiring a transfer to a fund specified in schedule VII to the Companies Act in compliance with second proviso to sub section (5) of section 135 of the said Act. Accordingly reporting under clause 3(xx)a of the order is not applicable for the year.
- (b) In respect of ongoing projects, the Company had unspent CSR amount of Rs. 11.49 lakh as at the end of the financial year pursuant to sub-section (5) of section 135 of the Act. The said amount has been transferred to a separate bank account designated as the "Unspent CSR Account" in compliance with the provisions of sub-section (6) of section 135 of the said Act within the prescribed time limit.
- XXI.** The Company is not required to prepare the consolidated financial statements, hence reporting under clause (xxi) of the Order is not applicable.

Place: New Delhi
Date: 29.07.2026

For A J Mohan & Associates
Chartered Accountants
FRN: 002468N



Hasan Jawaid
(Partner)

Membership No: 468230
UDIN – 26468230IKPNVS8369

Annexure B” to the Independent Auditors’ Report of even date on the Ind AS Financial Statements of Ircon Vadodara Kim Expressway Limited for the period ended 31st March, 2026

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 financial statements of **Ircon Vadodara Kim Expressway Limited** (“the Company”) as of March 31, 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended 31st March 2026.

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

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

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control 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 control over financial reporting includes those policies and procedures that

- (i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, "based on the internal control with reference to financial statements 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".

Place: New Delhi
Date: 29.07.2026

For A J Mohan & Associates
Chartered Accountants

FRN: 002468N



Hasan Jawaid
(Partner)

Membership No: 468230
UDIN - 26468230IKPNVS8369

(Rs in Lakhs)

Particulars	Note No.	As at 31st March 2026	As at 31st March 2025
I. ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	3	2.24	2.48
(b) Capital Work-in-Progress		-	-
(c) Investment Property		-	-
(d) Intangible Assets		-	-
(e) Intangible Assets under Development		-	-
(f) Right-of-use Assets		-	-
(g) Financial Assets	4	-	-
(i) Investments		-	-
(ii) Loans	4.1	-	-
(iii) Others	4.2	70,745.18	76,368.05
(h) Deferred Tax Assets (Net)	5	4.90	3.86
(i) Other Non-Current Assets	6	0.41	-
Total Non-Current Assets		70,752.73	76,374.39
2 Current Assets			
(a) Inventories		-	-
(b) Financial Assets	7	-	-
(i) Investments		-	-
(ii) Trade Receivables	7.1	-	-
(iii) Cash and Cash Equivalents	7.2	680.70	1,074.15
(iv) Bank Balances other than cash and cash equivalents	7.3	8,922.48	5,144.00
(v) Loans	7.4	-	-
(vi) Others	7.5	9,968.81	9,089.67
(c) Current Tax Assets (Net)	8	23.86	117.81
(d) Other Current Assets	9	141.50	2,773.93
(e) Assets held for Sale		-	-
Total Current Assets		19,737.35	18,199.56
Total Assets		90,490.08	94,573.95
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	10	1,000.00	1,000.00
(b) Instruments entirely equity in nature	11	19,574.00	19,574.00
(c) Other Equity	12	20,866.28	17,700.72
Total Equity		41,440.28	38,274.72
2 Liabilities			
(i) Non-Current Liabilities			
(a) Financial Liabilities	13		
(i) Borrowings	13.1	41,380.00	48,276.00
(ii) Trade Payables		-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
- Total Outstanding Dues of Creditors Other than of Micro Enterprises and Small Enterprises		-	-
(iii) Other Financial Liabilities	14	0.50	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)		-	-
(d) Other Non-Current Liabilities		-	-
Total Non-Current Liabilities		41,380.50	48,276.00
(ii) Current Liabilities			
(a) Financial Liabilities	15		
(i) Borrowings	15.1	6,896.00	6,896.00
(ii) Trade Payables	15.2	-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		2.04	-
- Total Outstanding Dues of Creditors Other than of Micro Enterprises and Small Enterprises		345.48	135.18
(iii) Other Financial Liabilities	15.3	245.96	906.62
(b) Other Current Liabilities	16	179.81	85.43
(c) Provisions	14	0.01	-
(d) Current Tax Liability (Net)		-	-
Total Current Liabilities		7,669.30	8,023.23
Total Equity and Liabilities		90,490.08	94,573.95
III. Summary of Material Accounting Policies Information	2		
IV. Notes to Financial Statements	1 - 45		

As per our Report of even date attached

For A J Mohan & Associates
Chartered Accountants
FRN: 002468N

CA Hasan Jiwani
Partner
M. No. 468230
UDIN: 26468230QNIAXJ4721

For and on behalf of Board of Directors
Ircan Vadodara Kim Expressway Limited

Santanu Mukherjee
Director
DIN - 10895834

CEO

Masood Sultan
Director
DIN - 09008553

CFO



Lakshya Sharma
CS

(M.M. No. A.H.585)

Place : New Delhi

Date : 05.05.2026

IRCON VADODARA KIM EXPRESSWAY LIMITED
CIN - U74999DL2018GOI334028
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2026

(Rs in Lakh)

	Particulars	Note No.	For the year ended 31st March 2026	For the year ended 31st March 2025
I.	Revenue :			
	Revenue from operations	17	11,754.11	13,458.48
II.	Other income	18	323.48	309.99
III.	Total Income (I + II)		12,077.59	13,768.47
IV.	Expenses:			
	Project Expenses	19	1,610.77	1,934.04
	Employee Benefits Expenses	20	95.10	111.22
	Finance Costs	21	4,261.52	5,361.52
	Depreciation, Amortisation and Impairment	22	0.93	0.58
	Other Expenses	19	106.67	118.29
	Total Expenses (IV)		6,074.99	7,525.65
V.	Profit Before exceptional items and Tax (III - IV)		6,002.60	6,242.82
VI.	Exceptional items		-	-
VII.	Profit before tax (V + VI)		6,002.60	6,242.82
VIII.	Tax expenses:			
	(1) Current tax			
	- For the Period		1,538.08	1,599.23
	- For earlier years (net)		-	0.01
	(2) Deferred tax (net)		(1.04)	1.35
	Total Tax Expense		1,537.04	1,600.59
IX.	Profit for the year from continuing operation (VII - VIII)		4,465.56	4,642.23
X.	<u>Other Comprehensive Income</u>			
	A. (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income Tax relating to Items that will not be reclassified to profit or loss		-	-
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income Tax relating to Items that will be reclassified to profit or loss		-	-
			-	-
			-	-
XI.	Total Comprehensive Income for the year (IX + X) (Comprising profit/(loss) and other comprehensive income for the year, net of tax)		4,465.56	4,642.23
XII.	Earnings Per Equity Share:			
	(For Continuing Operation)			
	(1) Basic (in Rs.)	32	44.66	46.42
	(2) Diluted (in Rs.)		44.66	46.42
	Face Value Per Equity Share (in Rs)		10.00	10.00
XIII.	Summary of Material Accounting Policies Information	2		
XIV.	Notes to financial statements	1 - 45		

As per our Report of even date attached

For A J Mohan & Associates
Chartered Accountants
FRN : 002468N

CA Hasan Jawaid
Partner
M. No. 468230
UDIN : 26468230QNLJX4721

For and on behalf of Board of Directors
Irecon Vadodara Kim Expressway Limited

Santanu Mukherjee
Director
DIN - 10895834

C Santha Kumar
CEO

Raj Kumar
CFO

Masood Ahmad
Director
DIN - 09008553

Lakshya
Sharma
CS

(mem. No. AT15857)

Place : New Delhi

Date : 05.05.2026

IRCON VADODARA KIM EXPRESSWAY LIMITED
CIN - U74999DL2018GOI334028
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026

A. Equity Share Capital

For the year ended 31st March 2026		(Rs in Lakh)
Particulars	Amount	
Balance as at 01 April, 2025	1,000	
Changes in Equity Share Capital due to prior period errors	-	
Restated balance at the 1 April, 2025	1,000	
Changes in equity share capital during the year	-	
Balance as at 31 March 2026	1,000	

For the year ended 31st March 2025		(Rs in Lakh)
Particulars	Amount	
Balance as at 01 April, 2024	1,000	
Changes in Equity Share Capital due to prior period errors	-	
Restated balance at 01 April, 2024	1,000	
Changes in equity share capital during the year	-	
Balance as at 31 March, 2025	1,000	

B. Instruments entirely equity in nature

For the year ended 31st March 2026		(Rs in Lakh)
Particulars	Amount	
Balance as at 01 April, 2025	19,574.00	
Addition in Instruments entirely equity in nature	-	
Balance as at 31 March 2026	19,574.00	

For the year ended 31st March 2025		(Rs in Lakh)
Particulars	Amount	
Balance as at 01 April, 2024	19,574.00	
Addition in Instruments entirely equity in nature	-	
Balance as at 31 March, 2025	19,574.00	

C. Other Equity

For the year ended 31st March 2026				(Rs in Lakh)
Particulars	Reserves & Surplus	Other Comprehensive Income	Total	
	Retained Earnings			
Balance as at 1 April, 2025	17,700.72	-	17,700.72	
Changes in accounting policy or prior period errors	-	-	-	
Restated balance as at 1 April 2025	17,700.72	-	17,700.72	
Profit for the year	4,465.56	-	4,465.56	
Addition during the year	-	-	-	
Other Comprehensive Income	-	-	-	
Remeasurment of Defined Benefit Plans	-	-	-	
Foreign Exchange translation difference	-	-	-	
Total Comprehensive Income for the period	4,465.56	-	4,465.56	
Dividends Paid	(1,300.00)	-	(1,300.00)	
Balance as at 31 March 2026	20,866.28	-	20,866.28	



Handwritten signature of CEO/IVKE



IRCON VADODARA KIM EXPRESSWAY LIMITED
CIN - U74999DL2018GOI334028
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2026

For the year ended 31st March, 2025

(Rs in Lakh)

Particulars	Reserves & Surplus	Other Comprehensive Income	Total
	Retained Earnings		
Balance as at 1 April, 2024	13,058.49	-	13,058.49
Changes in accounting policy or prior period errors	-	-	-
Restated balance as at 1 April 2024	13,058.49	-	13,058.49
Profit for the year	4,642.23	-	4,642.23
Addition during the year	-	-	-
Other Comprehensive Income	-	-	-
Remeasurment of Defined Benefit Plans	-	-	-
Foreign Exchange translation difference	-	-	-
Total Comprehensive Income for the period	4,642.23	-	4,642.23
Dividends Paid	-	-	-
Balance as at 31 March, 2025	17,700.72	-	17,700.72

As per our Report of even date attached

For A J Mohan & Associates
Chartered Accountants
FRN : 002468N


CA Hasan Jaiswal
Partner
M. No. 468230
UDIN : 26468230QNIAJX4721

For and on behalf of Board of Directors
Ircan Vadodara Kim Expressway Limited


Santanu Mukherjee
Director
DIN - 10895834


C Santha Kumar
CEO


Raj Kumar
CFO


Masood Ahmad
Director
DIN - 09008553


Laksheya Sharma
CS
(Mann. No. AT(585))

Place : New Delhi
Date : 05.05.2026



(Rs in Lakh)

Particulars		For the year ended 31st March 2026	For the year ended 31st March 2025
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before taxation		6,002.60	6,242.82
Adjustment for :			
Depreciation, amortization and impairment		0.93	0.58
Finance Cost		4,261.52	5,361.52
Bank Interest		(323.48)	(309.75)
Interest Income on Financial Assets		(9,973.44)	(11,375.48)
Operating Profit before Current /Non-Current Assets and Liabilities	(1)	(31.87)	(80.31)
Adjustment for :			
Decrease / (Increase) in Trade Receivables		-	1,237.60
Decrease / (Increase) in Other Assets & Financial Assets		8,153.06	10,291.82
(Decrease) / Increase in Trade Payables		212.34	(353.28)
(Decrease) / Increase in Other Liabilities, Financial Liabilities & Provisions		12.27	126.23
	(2)	8,377.67	11,302.37
Cash Generated From Operations	(1+2)	8,345.80	11,222.06
Income Tax Paid (Net of Refund)		(1,444.13)	(1,636.51)
NET CASH FROM OPERATING ACTIVITIES	(A)	6,901.67	9,585.55
CASH FLOW FROM INVESTING ACTIVITIES			
Sale of Property, Plant and Equipment		1.36	0.98
Purchase of Property, Plant and Equipment		(2.05)	(4.00)
Bank Interest received		268.09	259.92
Interest Income received on Financial Assets		10,137.52	11,477.37
Bank Balances including Deposits other than cash and cash equivalents		(4,664.48)	(2,023.00)
NET CASH FROM INVESTING ACTIVITIES	(B)	5,740.44	9,711.27
CASH FLOW FROM FINANCING ACTIVITIES			
Interim Dividend paid to Irocon International Limited (Shareholder)		(1,300.00)	-
Repayment of Loan to Irocon International Limited		-	(6,896.00)
Interest paid on Loan from Bank of Baroda		(4,259.90)	(4,944.05)
Interest paid on Loan from Irocon International Limited		(575.90)	(741.57)
Other finance cost		(3.76)	(3.17)
Repayment of Loan to Bank of Baroda		(6,896.00)	(6,896.00)
NET CASH FROM FINANCING ACTIVITIES	(C)	(13,035.56)	(19,480.79)
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents	(D)	-	-
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	(A+B+C+D)	(393.45)	(183.97)
CASH AND CASH EQUIVALENTS (OPENING)	(E)		
Cash in Hand		-	-
Balances with banks:			
- On current accounts		6.15	165.12
- Flexi Accounts		-	-
- Deposits with original maturity of less than 3 months		1,068.00	1,093.00
		1,074.15	1,258.12
CASH AND CASH EQUIVALENTS (CLOSING)	(F)		
Cash in Hand		-	-
Balances with banks:			
- On current accounts		10.70	6.15
- Flexi Accounts		-	-
- Deposits with original maturity of less than 3 months		670.00	1,068.00
		680.70	1,074.15
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	(F - E)	(393.45)	(183.97)



Reconciliation of liabilities arising from financing activities as on 31st March 2026

(Rs in Lakhs)			
Particulars		Loan From IRCON	Loan From Bank of Baroda
Balance as at 1st April 2025	Principal	-	55,172.00
	Interest	575.90	12.46
Non Cash Changes due to			
Interest accrued	Non cash	-	4,257.76
Cash flows:			
-Repayments	Principal	-	(6,896.00)
-Repayments	Interest	(575.90)	(4,259.90)
-Proceed	Principal	-	-
Balance as at 31st March 2026	Principal	-	48,276.00
	Interest	-	10.32
Total		-	48,286.32

Reconciliation of liabilities arising from financing activities as on 31st March 2025

(Rs in Lakhs)			
Particulars		Loan From IRCON	Loan From Bank of Baroda
Balance as at 1st April 2024	Principal	6,896.00	62,068.00
	Interest	901.83	13.80
Non Cash Changes due to			
Interest accrued	Non cash	415.64	4,942.71
Cash flows:			
-Repayments	Principal	(6,896.00)	(6,896.00)
-Repayments	Interest	(741.57)	(4,944.05)
-Proceed	Principal	-	-
Balance at 31st March 2025	Principal	-	55,172.00
	Interest	575.90	12.46
Total		575.90	55,184.46

Note : 1. The above Cash flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS) - 7 on Statement of Cash Flows.

- Figures in brackets represent outflow of cash.
- Figures of the previous year have been regrouped / recasted / restated wherever necessary.
- Earmarked and restricted balances are mentioned in Note 7.2.

As per our Report of even date attached

For A.J. Mohan & Associates
Chartered Accountants
FRN : 002468N

C.A. Hasan Jawad
Partner
M. No. 468230
UDIN : 26468230QNIAX4721

For and on behalf of Board of Directors
Ircan Vadodara Kim Expressway Limited

C. Santha Kumar
CEO

Raj Ku
CFO

Masoud Ahmad
Director
DIN - 00908553

Lakshya
Sharma
CS

Place : New Delhi
Date : 05.05.2026

(Mem. No. A71585)

Ircon Vadodara Kim Expressway Limited
Notes to financial statements for the year ended March 31, 2026

1. Corporate Information

Ircon Vadodara Kim Expressway Limited (IrconVKEL) is a wholly owned subsidiary of Ircon International Limited (IRCON), public sector construction company domiciled in India. IrconVKEL (CIN U74999DL2018GOI334028) is incorporated under the provisions of the Companies Act, 2013 applicable in India. The registered office of the company is located at C-4, District Centre, Saket, New Delhi-110017. In pursuant to the provisions of "Request for Proposal", the selected bidder 'IRCON' has formed a Special Purpose Vehicle (SPV) named Ircon Vadodara Kim Expressway Limited as wholly owned subsidiary of IRCON, incorporated on 16th May, 2018. Accordingly, IrconVKEL has signed the Concession Agreement with NHAI on 25th May, 2018 for the project value amounting to Rs 1865 Crore (i.e Bid Project Cost). 40% of the Bid Project cost, adjusted for Price Index Multiple, shall and due and payable to the Concessionaire(IrconVKEL) in 5 equal installments of 8% each during the construction period. The remaining Bid Project cost, adjusted for Price Index Multiple, shall be due and payable in 30 biannual installments commencing from the 180th day of COD in accordance with the Provisions of clause 23.6 of the agreement which is Annuity payments during Operation Period. The Project is under Annuity pattern and will be under operation with the IrconVKEL for 15 years from the Commercial Operational Date (COD). The payments of the same, under Annuity model will be payable at the achievement of specific milestone as per the agreement. The Concession period is 730 days commencing from Appointed Date i.e. 31.01.2019 as notified by NHAI. NHAI has issued the Provisional Completion Certificate w.e.f. 25.08.2022 and subsequent to achievement of PCOD, Operation & Maintenance phase of the Project has been commenced w.e.f 26.08.2022. NHAI vide letter dated 13.06.2024 has issued the Completion Certificate w.e.f. 09.01.2024.

The financial statements are approved for issue by the company's Board of Directors in their meeting held on 05.05.2026.

2. Material Accounting Policies Information

2.1. Basis of preparation of Financial Statements

i. Statement of compliance

The Standalone Financial Statements of the Company have been prepared on going concern basis following accrual system of accounting and in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statements.

ii. Basis of measurement

The Standalone Financial Statements have been prepared under the historical cost convention except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value.

iii. Functional and Presentation Currency

These Standalone Financial Statements are presented in Indian Rupees (INR) which is the Company's functional currency. All amounts have been rounded to the nearest Lakhs up to two decimals except for per share data, unless otherwise stated.



Ircon Vadodara Kim Expressway Limited
Notes to financial statements for the year ended March 31, 2026

2.2. Summary of material accounting policies

A summary of the material accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.2.1. Current and non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined twelve months as its operating cycle for the purpose of classification of its assets and liabilities as current and non-current in the balance sheet. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.2.2. Property, plant and equipment

Property, plant and equipment are initially stated at their cost.

The cost of an item of property, plant and equipment includes:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- (b) Cost directly attributable to the acquisition of the asset which incurred in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, 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.

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified under part C of schedule II of the Companies Act, 2013 and disclosed in the notes to accounts. The residual values is not more than 5% of the original cost of assets.

Property plant and equipment acquired during the period, individually costing up to ₹5000/- are fully depreciated, by keeping Re. 1 as token value for identification. However, Mobile phones provided to employees are charged to statement of profit and loss irrespective of its value.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

2.2.3. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.



Ircon Vadodara Kim Expressway Limited
Notes to financial statements for the year ended March 31, 2026

2.2.4. Revenue Recognition

The Company derives revenues primarily from the Service Concession Arrangement comprising the construction and operation & maintenance services pertaining to an infrastructure (Road) on Hybrid Annuity Mode.

i. Revenue from Service Concession Arrangement

The Company's contracts with the Customers for the construction and operation & maintenance services under the Service Concession Arrangement (SCA) are accounted for as a single performance obligation as contract is negotiated as a package with a single commercial objective and involves complex integration of construction and maintenance services.

Revenue is recognised over the time using input method (i.e., percentage-of-completion method) which is consistent with the transfer of control to the customer because there is a direct relationship between the Company's effort (i.e., cost incurred) and the transfer of service to the customer. Under input method, contract revenue is recognized as revenue by reference to the stage of completion as at the reporting date. The stage of completion is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. However, where the Company is not be able to reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation. A cumulative catch-up adjustment would be recognized in the period in which the entity is able to reasonably measure its progress. Changes to total estimated contract costs, if any, are recognised in the period in which they are determined as assessed at the contract level.

Any expected losses on contracts in progress are charged to statement to profit & Loss, in total, in the period the losses are identified.

Revenue is measured at the transaction price that is allocated to the performance obligation and is adjusted for variable considerations. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, incentives, change in law etc. The Company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount cumulative revenue recognized will not occur. The company estimates the amount of revenue to be recognized on variable consideration using most likely amount method. Consequently, amounts allocated to a satisfied performance obligation are recognised as revenue, or as a reduction of revenue, in the period in which the transaction price changes.

Contract balances

Contract assets

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. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Company's remaining performance as specified under the contract, which is consistent with the industry practice.



Ircon Vadodara Kim Expressway Limited
Notes to financial statements for the year ended March 31, 2026

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivable are recognised initially at the transaction price as they do not contain significant financing components. The Company hold the trade receivable with the objective of collecting the contractual cash flows and therefore measure them subsequently at amortised cost using the effective interest rate method less loss allowance.

Contract liabilities

If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Financial Assets Under Service Concession Arrangements (Appendix D to Ind AS 115 – Revenue from Contracts with Customers)

The Company recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor ("NHAI") for the construction services and Operation & Maintenance services. Such financial assets are initially measured at fair value and subsequently at amortized cost using the Effective Interest Rate (EIR) method and interest income on financial assets is presented under other operating revenue.

ii. Other income

Interest income is recognized using Effective Interest rate method.

All other income is accounted on accrual basis when no significant uncertainty exists regarding the amount that will be received.

2.2.5. Borrowing cost

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds and are charged to statement of profit and loss in the period in which they are incurred except when it meets the criteria for capitalisation as part of qualifying assets as per Ind AS 23.

2.2.6. Taxes

Tax expense comprises current tax and deferred income tax.

i. Current income Tax

Current tax is determined as the tax payable in respect of taxable income for the period and is computed in accordance with relevant tax regulations.

Current income tax is recognized in statement of profit and loss. 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.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.



Ircon Vadodara Kim Expressway Limited
Notes to financial statements for the year ended March 31, 2026

ii. Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.2.7. Employee Benefits

i. Short Term Employee Benefits

Employee benefits such as salaries and wages, short term compensated absences, and Performance Related Pay (PRP) falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the statement of profit and loss in the period in which the employee renders the related services.

ii. Employees on nomination / secondment / deputation from Holding Company

The employees of the Company are posted on nomination / secondment / deputation basis from Ircon International Limited, the Holding Company.

In accordance with the arrangement with the Holding Company, retirement benefits and other long-term employee benefits in respect of such employees, including provident fund, pension, gratuity, post-retirement medical benefits, leave encashment, leave travel concession and other terminal benefits, are administered and provided for by the Holding Company in accordance with Ind AS 19, Employee Benefits.

The Company recognises, as employee benefit expense, the amounts paid or payable to the Holding Company towards such benefits, based on the agreed terms / fixed contribution mechanism, for the period of services rendered by such employees to the Company.

The Company's obligation in respect of such nominated / seconded / deputed employees is limited to the amount payable to the Holding Company under the agreed arrangement. The actual settlement of the underlying retirement benefits and other long-term employee benefit obligations in respect of such employees is the responsibility of the Holding Company.

Provident fund contribution in respect of employees on nomination / secondment / deputation is deposited by the Holding Company with its provident fund trust.

iii. Post-employment benefit - gratuity for eligible contract employees

In accordance with the applicable legal and regulatory requirements, the Company provides gratuity benefits to eligible contract employees. The gratuity plan is accounted for as a defined benefit plan.



Ircon Vadodara Kim Expressway Limited
Notes to financial statements for the year ended March 31, 2026

The gratuity plan for contract employees is wholly unfunded. Accordingly, no plan assets or qualifying insurance policy exists as at the reporting date and the entire defined benefit obligation is recognised as a liability in the financial statements.

The liability in respect of gratuity is determined on the basis of actuarial valuation carried out as at the reporting date using the Projected Unit Credit Method.

Service cost and net interest cost on the defined benefit obligation are recognised in the Statement of Profit and Loss as employee benefit expense. Remeasurements comprising actuarial gains and losses are recognised in Other Comprehensive Income and are not reclassified to the Statement of Profit and Loss in subsequent periods.

iv. Other long-term employee benefits

Other long-term employee benefits, if any, are recognised in accordance with Ind AS 19, Employee Benefits.

In respect of employees on nomination / secondment / deputation from the Holding Company, the Company recognises the amounts paid or payable to the Holding Company based on the agreed arrangement.

Contract employees are not eligible for other post-employment benefits and other long-term employee benefits, except gratuity or such other benefits as may be required under applicable law or contractual terms.

2.2.8. Dividend

Annual Dividend distribution to the Company's equity shareholders is recognized as liability in the period in which dividend is approved by the shareholders. Any interim dividend is recognized as liability on approval by the Board of Directors. Dividend payable is recognised directly in equity.

2.2.9. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes unrestricted cash and short-term deposits with original maturities of three months and less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.2.10. Contingent liabilities & contingent assets

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.



Ircon Vadodara Kim Expressway Limited
Notes to financial statements for the year ended March 31, 2026

Contingent assets

Contingent assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

2.2.11. Leases

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 in exchange for consideration.

Company as a lessee

Short Term leases

The company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of twelve months or less. The company recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.2.12. Financial instruments

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

i. Financial assets

a) Initial recognition and measurement

All financial assets (excluding trade receivables which do not contain a significant financing component, being measured at transaction price) are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition of financial asset. Transaction costs directly attributable to the acquisition of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

b) Subsequent measurement

Subsequent measurement of financial asset depends on the Company business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its financial asset as:

Financial assets at amortised cost

After initial measurement, the financial assets that are held for collection of contractual cash flows where those cash flow represent solely payments of principal and interest (SPPI) on the principal amount outstanding are measured at amortised cost using the effective interest rate (EIR) method. Interest income from these financial assets is included in other income.

Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, and other contractual rights to receive cash or other financial asset.

For trade receivables and contract assets, the Company follows 'simplified approach' and measures the loss allowance at an amount equal to lifetime expected credit losses.



Ircon Vadodara Kim Expressway Limited
Notes to financial statements for the year ended March 31, 2026

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

c) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109.

The difference between the carrying amount and the amount of consideration received / receivable is recognised in the statement of profit and loss.

ii. Financial liabilities

a) Initial recognition and measurement

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

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

b) Subsequent measurement

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

Financial liabilities at amortized cost

After initial recognition, borrowings, trade payables and other financial liabilities are subsequently measured at amortised cost using the EIR (Effective Interest Rate) 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 as finance costs in the statement of profit and loss.

c) Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.2.13. Fair value measurement

The company measures financial instruments at fair value at each reporting period.

All assets and liabilities for which fair value is measured, are disclosed in the financial statements. Such assets and liabilities are categorised within the level 3 (Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable) of fair value hierarchy.

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.



Ircon Vadodara Kim Expressway Limited
Notes to financial statements for the year ended March 31, 2026

2.2.14. Earnings Per Share

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.2.15. Prior Period Adjustment

Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 0.50% of total operating revenue as per last audited financial statement of the Company.

2.2.16. Significant accounting estimates and judgements

The preparation of Standalone Financial Statements requires the management to make judgements, accounting estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. 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.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Significant areas of estimation and judgements as stated in the respective accounting policies that have the most significant effect on the financial statements are as follows:

i. Allowances for uncollected trade receivables

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivable's balances and historical experiences. Individual trade receivables are written off when management deems not be collectible.

ii. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the company. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes Although there can be no assurance of the final outcome of legal proceedings in which the company is involved. it is not expected that such contingencies will have material effect on its financial position of probability.



Ircon Vadodara Kim Expressway Limited
Notes to financial statements for the year ended March 31, 2026

iii. Impairment of financial assets

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, credit risk, existing market conditions as well as forward looking estimates at the end of each reporting period.

iv. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments that will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. The company establishes provisions, based on reasonable estimates.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement 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.

v. Impairment of non-financial assets

The entity assesses at each reporting date whether there is an indication that an asset may be impaired. Determining the recoverable amount of the assets is judgmental and involves the use of significant estimates and assumptions. The estimates are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and do not reflect unanticipated events and circumstances that may occur.

vi. Revenue recognition

The company's revenue recognition policy, which is set out in Note 2.2.4, is central to how the company values the work it has carried out in each financial year.

These policies require forecasts to be made of the outcomes of Contracts, which require, assessments and judgements to be made on changes in scope of work and claims and variations.

The Company has incorporated significant judgements over contractual entitlements for long term project. The range of potential outcomes could result in a materially positive or negative change to underlying profitability and cash flow.

Estimates are also required with respect to the below mentioned aspects of the contract:

- Determination of stage of completion
- Estimation of project completion date
- Provisions for foreseeable losses
- Estimated total revenues and estimated total costs to completion, including claims and variations.

These are reviewed at each reporting date and adjust to reflect the current best estimates.



3 Property, Plant and Equipment

(Rs in Lakh)

	Computers	Office Equipment	Furniture & Fixtures	Total
Gross Carrying Amount (At Cost)				
At 1 April 2024	0.74	-	-	0.74
Additions	2.31	1.55	0.14	4.00
Disposals/Adjustments	(0.70)	(0.39)	(0.14)	(1.23)
At 31 March 2025	2.35	1.16	-	3.51
At 1 April 2025	2.35	1.16	-	3.51
Additions	1.30	0.57	0.18	2.05
Disposals/Adjustments	(0.70)	(0.57)	(0.18)	(1.45)
At 31 March 2026	2.95	1.16	-	4.11
Depreciation and impairment				
At 1 April 2024	0.70	-	-	0.70
Depreciation charge for the year	0.26	0.18	0.14	0.58
Disposals/Adjustments	(0.03)	(0.08)	(0.14)	(0.25)
At 31 March 2025	0.93	0.10	-	1.03
At 1 April 2025	0.93	0.10	-	1.03
Depreciation charge for the year	0.68	0.25	0.00	0.93
Disposals/Adjustments	(0.06)	(0.03)	(0.00)	(0.09)
At 31 March 2026	1.55	0.32	-	1.87
Net book value				
At 31st March 2026	1.40	0.84	0.00	2.24
At 31st March 2025	1.42	1.06	0.00	2.48

PPE Disclosure

Depreciation is provided based on useful life.

Estimated useful life of assets are as follows:

Class of Assets	Useful lives as per Schedule II (in Years)
Computers	3
Office Equipment's	5
Furniture and fixtures	10



4 Financial Assets

4.1 Non-Current Financial Assets - Loans

(Rs in Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
<u>A. Considered Good : Secured</u>		
Staff Loans and Advances	-	-
Total (A) - Considered Good : Secured	-	-
<u>B. Considered Good : Unsecured</u>		
Staff Loans & Advances	-	-
Total (B) - Considered Good : Unsecured (i+ii)	-	-
<u>C. Significant Increase in Credit Risk (Deleted)</u>	-	-
<u>D. Credit Impaired (Deleted)</u>	-	-
Total	-	-

4.2 Non-Current Assets - Other Financial Assets

(Rs in Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
<u>Considered Good : Unsecured</u>		
Security deposit with MGVCCL	19.95	39.90
Contract Asset :		
- Billable Revenue / Receivable not due	70,725.23	76,328.15
Total	70,745.18	76,368.05



5 Deferred Tax Assets and Income Tax

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) The major components of income tax expense for the period ended 31 March 2026 and 31 March 2025 respectively are :

		(Rs in Lakh)	
S.No.	Particulars	For the period ended	
		31st March 2026	31st March 2025
1	Profit and Loss Section		
	Current income tax :		
	Current income tax charge	1,538.08	1,599.23
	Adjustment in respect of current tax of previous year	-	0.01
	Deferred tax :		
	Relating to origination and reversal of temporary differences	(1.04)	1.35
	Income tax expense reported in the Profit and Loss section	1,537.04	1,600.59
2	Other Comprehensive Income (OCI) Section		
	Income tax related to items recognised in OCI during the year:		
	Net loss/(gain) on remeasurements of defined benefit plans	-	-
	Net loss/(gain) on foreign operation translation	-	-
	Income tax expense reported in the OCI section	-	-

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2026 and 31 March 2025 :

		(Rs in Lakh)	
S.No.	Particulars	For the period ended	
		31st March 2026	31st March 2025
1	Accounting profit before income tax	6,002.60	6,242.82
2	Corporate tax rate as per Income tax Act, 1961	25.168%	25.168%
3	Tax on Accounting profit (3) = (1) * (2)	1,510.73	1,571.19
4	Effect of Tax Adjustments:		
(i)	Adjustments in respect of current income tax of previous years	-	0.01
(ii)	Utilisation of previously unrecognised tax losses	-	-
(iii)	Impact of Rate Difference	-	-
(iv)	Tax on Income exempt from tax	-	-
(v)	<u>Non-deductible expenses for tax purposes:</u>		
	-Other country additional tax	-	-
	-Other non-deductible expenses	-	-
(vi)	Tax effect of various other items	26.31	29.39
5	Income tax expense reported in the Statement of Profit and Loss	1,537.04	1,600.59
6	Effective Tax Rate	25.61%	25.64%

(c) Components of deferred tax (assets) and liabilities recognised in the Balance Sheet and Statement of Profit or Loss

		(Rs in Lakh)			
S.No.	Particulars	Balance sheet		Statement of profit or loss	
		31st March 2026	31st March 2025	31st March 2026	31st March 2025
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	0.02	0.03	0.01	0.02
2	Impact of Preliminary Expenses	-	-	-	-
3	Items disallowed u/s 43B of Income Tax Act, 1961	4.88	3.83	(1.05)	1.33
4	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	-	-	-	-
5	Fair valuation of financial instruments	-	-	-	-
6	Unutilised gain/loss on FVTOCI equity securities and FVTPL Mutual funds	-	-	-	-
	Net deferred tax assets/(liabilities)	4.90	3.86	(1.04)	1.35



(d) Reflected in the balance sheet as follows:

S.No.	Particulars	(Rs in Lakh)	
		31st March 2026	31st March 2025
1	Deferred tax assets	4.90	3.86
2	Deferred tax liability	-	-
	Deferred Tax Asset/(Liabilities) (Net)	4.90	3.86

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

(e) Reconciliation of deferred tax (liabilities)/assets:

As at 31st March 2026

S.No.	Particulars	(Rs in Lakh)			
		Net balance As at 1st April 2025	Recognised in statement of profit and loss	Recognised in OCI	Net balance As at 31st March 2026
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	0.03	(0.01)	-	0.02
2	Impact of Preliminary Expenses	-	-	-	-
3	Items disallowed u/s 43B of Income Tax Act, 1961	3.83	1.05	-	4.88
4	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	-	-	-	-
	Net deferred tax assets/(liabilities)	3.86	1.04	-	4.90

As at 31 March 2025

S.No.	Particulars	(Rs in Lakh)			
		Net balance As at 1st April 2024	Recognised in statement of profit and loss	Recognised in OCI	Net balance As at 31st March 2025
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	0.05	(0.02)	-	0.03
2	Impact of Preliminary Expenses	-	-	-	-
3	Items disallowed u/s 43B of Income Tax Act, 1961	5.16	(1.33)	-	3.83
4	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	-	-	-	-
	Net deferred tax assets/(liabilities)	5.21	(1.35)	-	3.86



6 Other Non-Current Assets

Particulars	(Rs in Lakh)	
	As at 31st March 2026	As at 31st March 2025
<u>Considered Good : Unsecured</u>		
Prepaid Expenses	0.41	-
<u>Considered Doubtful : Unsecured</u>		
Total	0.41	-



7 Current Assets - Financial Assets

7.1 Current Financial Assets - Trade Receivables

Particulars	(Rs in Lakh)	
	As at 31st March 2026	As at 31st March 2025
Considered Good : Unsecured	-	-
Considered Doubtful : Unsecured	-	-
Impairment Allowance (allowance for bad and doubtful debts) Unsecured, considered good	-	-
Total	-	-

Trade Receivable Ageing Schedule

								(Rs in Lakh)
Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2026 from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-



(Rs in Lakh)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2025 from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-



7.2 Current Financial Assets - Cash and Cash equivalents

(Rs in Lakh)		
Particulars	As at 31st March 2026	As at 31st March 2025
Cash in hand	-	-
Cheques/drafts in hand	-	-
Remittance in Transit	-	-
Balances with banks*:		
– On current accounts	10.70	6.15
– Flexi Accounts	-	-
– Deposits with original maturity of less than 3 months	670.00	1,068.00
	680.70	1,074.15

* Includes Rs 680.70 lakhs (As at 31st March 2025 Rs 1,074.15 lakhs) held in Escrow account and Deposits which are earmarked funds as per concession agreement entered with NHAI.

7.3 Current Financial Assets - Bank Balances other than cash and cash equivalents

(Rs in Lakh)		
Particulars	As at 31st March 2026	As at 31st March 2025
Bank balances other than cash and cash equivalents *		
Deposits with original maturity of more than 3 months but less than 12 months	8,911.00	5,144.00
Earmarked Balances**		
CSR Bank Account	11.48	-
	8,922.48	5,144.00

* Includes Rs 8,911 lakhs (As at 31st March 2025 Rs 5,144 lakhs) held in Deposits which are earmarked funds as per concession agreement entered with NHAI.

** Earmarked bank balances include Rs 11.48 Lakhs held in the Unspent CSR Account under section 135(6) of the Companies Act, 2013. The said amount is restricted for utilisation only towards the identified ongoing CSR project(s).

7.4 Current Financial Assets - Loans

(Rs in Lakh)		
Particulars	As at 31st March 2026	As at 31st March 2025
<u>A. Considered Good : Secured</u>		
Staff Loans and Advances	-	-
<u>B. Considered Good : Unsecured</u>		
(i) Loans to Related Parties:	-	-
(ii) Others:		
Staff Loans & Advances *	-	-
Total	-	-

* Details of amount due from Directors:

Particulars	As at 31st March 2026	As at 31st March 2025
Amount due from directors included in staff loans and advances	-	-
Total	-	-



7.5 Current Assets - Other Financial Assets

(Rs in Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
<u>Considered Good : Unsecured</u>		
Contract Asset :		
- Billable Revenue / Receivable not due	7,363.54	6,928.20
- Money Withheld by Client	714.51	1,048.02
Fixed Deposits with Original Maturity of >12 month but Remaining maturity of <12 month	886.00	-
Interest Recoverable on Financial Assets	892.19	1,056.27
Interest Accrued on:		
FDR with Banks	112.57	57.18
Total - Other Financial Assets - Good	9,968.81	9,089.67
Considered Doubtful : Unsecured	-	-
Total - Other Financial Assets - Doubtful	-	-
Total	9,968.81	9,089.67



8 Current Assets - Current Tax Assets (Net)

(Rs in Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Taxes Paid including TDS & Advance Tax (Net of Provision for Tax)	23.86	117.81
Current tax Assets (Net)	23.86	117.81

Current Tax Assets (Net)

(Rs in Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Taxes Paid :		
Income Tax - (including Advance Tax, TDS & TCS)	1,561.94	1,717.04
Less : Provision for Tax	(1,538.08)	(1,599.23)
Total	23.86	117.81



IRCON VADODARA KIM EXPRESSWAY LIMITED**CIN - U74999DL2018GOI334028****Notes to financial statements for the year ended 31st March 2026****9 Other Current Assets****(Rs in Lakh)**

Particulars	As at 31st March 2026	As at 31st March 2025
Others		
Balances with Statutory Authorities:		
- Goods & Services Tax	28.44	2,660.90
Building Cess Receivables*	76.24	79.60
Prepaid Expenses	36.82	33.43
Total	141.50	2,773.93

* It will be adjusted against future building cess liability of the Company.



10 Equity Share capital

(Rs in Lakh)

Particulars	As At 31st March 2026	As At 31 March 2025
Authorised share capital		
1,00,00,000 Equity shares of Rs.10 each		
(1,00,00,000 Equity shares of Rs.10 each as at 31st March 2025)	1,000.00	1,000.00
	<u>1,000.00</u>	<u>1,000.00</u>
Issued/Subscribed and Paid up Capital		
1,00,00,000 Equity shares of Rs.10 each-fully paid		
(1,00,00,000 Equity shares of Rs.10 each-fully paid as at 31st March 2025)	1,000.00	1,000.00
	<u>1,000.00</u>	<u>1,000.00</u>

Promoter's shareholding

Particulars	Shares held by Promoter at the end of the period / year				% change during the period / year
	S.No	Promoter Name*	No. of shares	% of total shares	
As at March 31, 2026	1	Ircon International Limited and its nominees	1,00,00,000	100.00%	-
	2				
	3				
	4				
	5				

Particulars	Shares held by Promoter at the end of the period / year				% change during the period / year
	S.No	Promoter Name*	No. of shares	% of total shares	
As at March 31, 2025	1	Ircon International Limited and its nominees	1,00,00,000	100.00%	-
	2				
	3				
	4				
	5				

(a) **Details of shareholders holding more than 5% shares in the Company**

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of Share	% holding in the class	No. of Share	% holding in the class
Ircon International Limited and its nominees	1,00,00,000	100.00%	1,00,00,000	100.00%

(b) **Aggregate no. of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

	As at March 31, 2026	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
	No. of Share	No. of Share	No. of Share	No. of Share	No. of Share	No. of Share
Equity shares allotted other than cash	-	-	-	-	-	-
Equity shares issued as bonus shares	-	-	-	-	-	-
Equity shares Buy Back	-	-	-	-	-	-
Total	-	-	-	-	-	-

(c) **Terms / Rights attached to Equity Shares :**

(i) **Voting**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

(ii) **Liquidation**

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

(iii) **Dividend**

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

(d) **Reconciliation of the number of equity shares and share capital outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2026		As at 31 March 2025	
	No of shares	(Rs in Lakh)	No of shares	(Rs in Lakh)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	1,00,00,000	1,000.00	1,00,00,000	1,000.00
Add: Shares Issued during the year	-	-	-	-
Less: Shares Buy Back during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	1,00,00,000	1,000.00	1,00,00,000	1,000.00



11 Instruments entirely equity in Nature

Particulars	(Rs in Lakh)	
	As At 31st March 2026	As At 31 March 2025
Instruments entirely equity in Nature (Refer Note No. 39)	19,574.00	19,574.00
Total	19,574.00	19,574.00

i) Movement as per below:

(a) Instruments entirely equity in Nature		
Opening Balance	19,574.00	19,574.00
Add : Addition during the period	-	-
Closing Balance	19,574.00	19,574.00

ii) Nature and Purpose:

(a) Instruments entirely equity in Nature (Deemed Equity)

Deemed Equity represents equity contribution from IRCON, the Holding Company in the form of Interest Free Loan. The Company does not have any repayment obligation and are defined as Equity in the Concessional agreement with NHAI. Accordingly, these are considered to be in the nature of Equity Instruments.



12 Other Equity

(Rs in Lakh)

Particulars	As at 31st March 2026	As At 31 March 2025
Retained Earnings	20,866.28	17,700.72
Total	20,866.28	17,700.72

i) Movement as per below:

(a) Retained Earnings
Opening Balance

17,700.72 13,058.49

Transfer from surplus in statement of profit and loss

4,465.56 4,642.23

Interim Dividend

(1,300.00) -

Re-measurement of defined benefit plans (net of tax)

- -

Closing Balance

20,866.28 17,700.72

ii) Nature and Purpose:

(a) Retained Earnings

Retained Earnings represents the undistributed profits of the Company.

(b) Dividend Distribution

(Rs in Lakh)

Particulars	As at 31st March 2026	As At 31 March 2025
Cash dividends on equity shares declared / paid:		
Interim dividend paid during 2025-26: Rs 13 per share (Refer Note no.40)	1,300.00	-
Total	1,300.00	-

(c) Dividends not recognised at the end of the reporting year

Final dividend recommended by the Board of Directors, subject to the approval of shareholders in the ensuing Annual General Meeting and approval of the Lenders (Bank of Baroda).

(Rs in Lakh)

Particulars	As at 31st March 2026	As At 31 March 2025
Dividend for 31 March 2026: Rs 3.58/- per share (Refer Note No.40)	358.00	-
Total	358.00	-



Notes to financial statements for the year ended 31st March 2026

13 Non-Current Liabilities - Financial Liabilities

13.1 Non-Current Financial Liabilities - Borrowings

(Rs in Lakh)		
Particulars	As at 31st March 2026	As at 31st March 2025
Unsecured:		
Loan from Ircan International Limited *	-	-
Secured		
Loan from Bank of Baroda **	41,380.00	48,276.00
Total	41,380.00	48,276.00

Notes :

*** Un-Secured Loan from IRCON**

Terms & Conditions of Loan from Holding Company (Ircan International Limited)

1. Sanction :-Rs 6896 Lakh

- Interest rate to be charged on the loan was revised from Bank of Baroda 1 month MCLR without Strategic Premium to Bank of Baroda overnight MCLR without Strategic Premium plus 0.09% w.e.f 27.09.2023.
- Duration of Loan Disbursement would be a period of 1 year from the date of signing of agreement.
- Unsecured Loan shall be repaid in 2.5 years starting after 12 years from COD or repayment of full term loan of senior lender, whichever is earlier in structured half-yearly installments. However, during the year ended 31.03.2025, IRCON has permitted IVKEL to make partial/ full repayment of loan without any prepayment charges. Accordingly, IVKEL has repaid the entire outstanding loan of Rs 6896 Lakh to IRCON in the year 2024-25.
- Interest to be calculated on monthly rest basis.

**** Secured Loan from Bank of Baroda**

Terms & Conditions of Loan from Bank of Baroda (BOB)

Sanction :- Rs 72412 Lakh

- Interest rate to be charged on loan was revised from BOB 1 month MCLR to BOB overnight MCLR plus 0.09% w.e.f. 27.09.2023. Due to increase in credit rating of the Company, interest rate is now BOB overnight MCLR w.e.f.31.07.2025. Presently 7.80% p.a payable on Monthly rests as at 31.03.2026.
- Moratorium of 7 months from the date of COD. The Company achieved provisional completion certificate i.e. Provisional COD. On request of IrcanVKEL, Bank of Baroda made the subsequential shift in repayment schedule on 01.11.2022. The repayment Schedule has started w.e.f 25.03.2024 and last installment on 25.03.2033.
- Term loan shall be repaid in 21 half yearly installments of Rs 3448 Lakh each on 25th Sept and 25th March of every year.
- Interest shall be paid as and when debited.
- Corporate Guarantee of the Promoter i.e. M/s IRCON International Limited (AAA Rated) has been released by BOB vide No Objection Letter dated 25.05.2023.
- The loan shall be secured by-
 - A first mortgage and charge in favour of the Lenders/Security Agent for the benefit of the Lenders in a form satisfactory to the Lenders, of all the Borrower's immovable properties, if any both present and future, save and except Project Assets; a first charge in favour of Lender/ Security Agent for the benefit of the Lenders of all the Borrower's moveable properties, both present and future, save and except the Project Assets.
 - A first charge on all the Borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets and current assets, both present and future, save and except the Project Assets.
 - A first charge on all the bank accounts including but not limited to the Escrow Account opened in a designated bank and DSRA to be established by the Company, where all cash flows from the Project shall be deposited, and the sub Account (or any account in substitution thereof) that may be opened in accordance with this agreement and supplementary Escrow Agreement or any other Project Agreement, provided such first charge shall only be to the extent permitted as per the waterfall of priorities prescribed under Escrow Agreement and Concession Agreement;
 - A first charge on all revenues and receivables of the Borrower from the Project or Otherwise, Project's book debts, operating cash flows, commissions or revenues of whatever nature, after such revenues and receivables are deposited in the Escrow Account. Provided that such charge as mentioned herein shall arise only after the proceeds and/or realization on any such revenues and receivables are credited to and enters the Escrow Account and thereafter shall only be utilized to the extent permitted as per the waterfall priorities under the Escrow Agreement and Concession Agreement
 - Assignment of contractor guarantees, liquidated damages, letter of credit, guarantee or performance bond that may be provided by any counter party under any project agreement or contract in favor of company and insurance policies etc;
 - A first charge by way of assignment/agreement in favor of lenders over all the rights, title and interests of the Borrowers related to the Project from all contracts, insurances, licenses in to and under all Project Agreement (including the Concession Agreement) to which the Borrower is party to including contractor guarantees, liquidated damages, letter of credit, performance bond, guarantee and all other contracts relating to the Project, provided such charge shall be limited to and to arise to the extent provided under Substitution Agreement;
 - A first charge/assignment/ security interest on company rights' under concession agreement in favor of lenders of all rights, title, interests, benefits, claims, uncalled capital and demands whatsoever of company in any letter of credit, performance bond, guarantee provided by any party to project documents;
 - A first charge on intangible assets of borrower but not limited to goodwill present and future save and except the Project Assets. Provided that any realization there of shall be credited to the Escrow Account and the charges as aforesaid shall be limited to the extent permissible under the water fall priorities of the Concession Agreement and the Escrow Agreement;
 - Assignment of all applicable insurance policies



IRCON VADODARA KIM EXPRESSWAY LIMITED**CIN - U74999DL2018GOI334028****Notes to financial statements for the year ended 31st March 2026****14 Provisions**

Particulars	(Rs in Lakh)	
	As at 31st March 2026	As at 31st March 2025
Provision for Gratuity	0.51	-
	0.51	-
Current	0.01	-
Non Current	0.50	-
	0.51	-

The disclosure of provisions movement as required under the requirements of Ind AS 37 is as follows :

13.1 Provision for Employee Benefits :

- The provisions are created for the purpose of Gratuity.
- Disclosures as per Ind AS 19 'Employee benefits' are provided in Note 33.
- Movement in the carrying value of Provisions for Gratuity are provided as below:

Particulars	(Rs in Lakh)
	Gratuity
As at 01-April-2025	-
Current	-
Non Current	-
Provision made during the year	0.51
Less: Utilization during the year	-
Less: Write Back during the year	-
As at 31-March-2026	0.51
Current	0.01
Non Current	0.50



15 Current Liabilities - Financial Liabilities

15.1 Current Financial Liabilities - Short Term Borrowings

(Rs in Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Secured:		
Current Maturities of Long Term Debt : Loan from Bank of Baroda (Refer Note No. 13.1)	6,896.00	6,896.00
Total	6,896.00	6,896.00

15.2 Current Financial Liabilities - Trade Payables

(Rs in Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
(A) Micro, Small & Medium Enterprises	2.04	-
(B) Other than Micro, Small & Medium Enterprises		
(i) Contractor & Suppliers	9.56	11.92
(ii) Related Party - IRCON	335.92	123.26
Total	347.52	135.18

Notes:

- a) Disclosures as required under Companies Act, 2013 / Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) are provided in Note 35.
b) Terms and Conditions and other balances with related parties are disclosed in Note 30.

Trade payables Ageing Schedule

(Rs in Lakh)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2026 from the due date of payment				Total
			Less than 1 year	1-2 year	3 years	More than 3 year	
Total outstanding dues of micro enterprises and small enterprises	2.04	-	-	-	-	-	2.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	9.56	181.67	154.25	-	-	-	345.48
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	11.60	181.67	154.25	-	-	-	347.52

(Rs in Lakh)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2025 from the due date of payment				Total
			Less than 1 year	1-2 year	3 years	More than 3 year	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	4.76	-	130.42	-	-	-	135.18
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	4.76	-	130.42	-	-	-	135.18

15.3 Current Liabilities - Other Financial Liabilities

(Rs in Lakh)

Particulars	As at 31st March 2026	As at 31st March 2025
Deposits, Retention money and Money Withheld - Related Party - IRCON	235.64	318.26
Interest Accrued on loan but not due		
(i) IRCON	-	575.90
(ii) Bank of Baroda	10.32	12.46
Other Payables (including Staff Payable)	-	-
Total	245.96	906.62



IRCON VADODARA KIM EXPRESSWAY LIMITED**CIN - U74999DL2018GOI334028****Notes to financial statements for the year ended 31st March 2026****16 Other Current Liabilities****(Rs in Lakh)**

Particulars	As at 31st March 2026	As at 31st March 2025
a) Contract Liability		
Advance from clients	-	-
b) Other Advances		
Advance from others	-	-
c) Others		
Statutory dues	168.32	2.67
CSR to be spent on Ongoing Project	11.49	82.76
Total	179.81	85.43

Notes:

a) Statutory dues includes liability for Goods and Service Tax (GST), TDS, Provident Fund and other statutory dues.



17 Revenue from Operations

(Rs in Lakh)		
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Contract Revenue (Refer Note No. 34 & 36)	1,780.67	2,083.00
Other Operating Revenue :		
Interest Income on Financial Assets under Service Concession Arrangements	9,973.44	11,375.48
Total	11,754.11	13,458.48

18 Other Income

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Interest Income :		
Interest on Refund of Income-tax	-	-
Bank Interest	323.48	309.75
Others :		
Other Miscellaneous Income	-	0.24
Total	323.48	309.99



19 Project and Other Expenses

(Rs in Lakh)

Particulars	Foot Note	For the year ended 31st March 2026	For the year ended 31st March 2025
Project Expenses			
Work Sub-Contract		-	867.56
Operation and Maintenance Expenses		1,429.15	881.87
Independent Engineer Inspection Charges		27.08	34.88
Rent - Non-residential	(i)	3.64	3.31
Rates and Taxes		0.07	0.17
Vehicle Operation and Maintenance		0.09	0.41
Insurance		132.71	132.62
Travelling & conveyance		0.44	1.42
Printing & stationery		0.18	0.24
Legal & Professional charges		16.34	9.87
Bank Charges		0.06	0.06
Telephone Expense		0.27	0.09
Repair & Maintainance		0.20	0.31
Miscellaneous expenses		0.54	1.23
Sub-total (A)		1,610.77	1,934.04
Other Expenses			
Corporate social responsibility (Refer Note -38)		104.25	116.16
Auditors remuneration	(ii)	2.42	2.13
Sub-total (B)		106.67	118.29
Total (A + B)		1,717.44	2,052.33

(i) Rent paid to IRCON Rs 3.08 Lakh (Rs 2.81 Lakh) excluding GST

(ii) **Payment to Statutory Auditors:**

(Rs in Lakh)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
(a) Audit Fee - current year	1.21	1.10
(b) Tax Audit Fees - current year	0.36	0.33
(c) Fee for Quarterly Limited Review	0.70	0.63
(d) Certification Fees	0.15	0.07
(e) Travelling & out of pocket expenses:		
- Travelling Expenses	-	-
- Out of Pocket Expenses	-	-
Total	2.42	2.13



20 Employee Benefits Expenses

(Rs in Lakh)			
Particulars	Foot Note	For the year ended 31st March 2026	For the year ended 31st March 2025
Salaries, wages and bonus	(i)	78.45	91.31
Contribution to provident and other funds		5.04	6.29
Retirement Benefits		11.10	13.62
Provision for Gratuity - Contract Employees		0.51	-
Staff Welfare		-	-
Total		95.10	111.22

(i) Includes income tax on non-monetary perks Rs. 0.27 Lakhs (Rs.0.51 Lakhs).

Note: Disclosures as per Ind AS 19 - 'Employee Benefits' in respect of provision made towards various employee benefits are provided in Note 33.

21 Finance Cost

(Rs in Lakh)			
Particulars	Foot Note	For the year ended 31st March 2026	For the year ended 31st March 2025
Other Borrowing Cost			
- Bank Guarantee & Other Charges		3.76	3.17
Interest on Loan from IRCON	(i)	-	415.64
Interest on Loan from Bank of Baroda	(i)	4,257.76	4,942.71
Total		4,261.52	5,361.52

(i) Refer Note No. 13.1

22 Depreciation, amortization and impairment

(Rs in Lakh)		
Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Property, Plant and equipment	0.93	0.58
Total	0.93	0.58



Note: - 23

A. Fair Value Measurements

(i) Category wise classification of Financial Instruments

Financial assets and financial liabilities are measured at fair value in these financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

a) The carrying values and fair values of financial instruments by categories as at 31st March, 2026 are as follows:

(Rs in Lakh)				
Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss ('FVTPL')				
Investment in Mutual Funds	-	-	-	-
Total	-	-	-	-
Financial Assets at Amortized Cost				
(i) Investments	-	-	-	-
(ii) Loans	-	-	-	-
(iii) Other Financial Assets	80,713.99	-	-	80,713.99
Total	80,713.99	-	-	80,713.99

(Rs in Lakh)				
Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	48,276.00	-	-	48,276.00
(ii) Other Financial Liabilities	245.96	-	-	245.96
Total	48,521.96	-	-	48,521.96

b) The carrying values and fair values of financial instruments by categories as at 31 March, 2025 are as follows:

b) The carrying values and fair values of financial instruments by categories as at 31 March, 2023 are as follows:

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss ('FVTPL')				
Investment in Mutual Funds	-	-	-	-
Total	-	-	-	-
Financial Assets at Amortized Cost				
(i) Investments	-	-	-	-
(ii) Loans	-	-	-	-
(iii) Other Financial Assets	85,457.72	-	-	85,457.72
Total	85,457.72	-	-	85,457.72



Particulars	Carrying Value	(Rs in Lakh)		
		Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	55,172.00	-	-	55,172.00
(ii) Other Financial Liabilities	906.62	-	-	906.62
Total	56,078.62	-	-	56,078.62

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties.

During the financial year 2025-26 and 2024-25, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

B. Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The Company's principal financial assets include loans to related parties, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds investment in mutual funds and tax free bonds. The Company's activities expose it to some of the financial risks: market risk, credit risk and liquidity risk.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Foreign currency risk and Interest rate risk. Financial instruments affected by market risk includes borrowings, trade receivables, trade payable and other non derivative financial instruments.

(i) Foreign Currency Risk

Nil

(ii) Interest Rate Risk

The following sensitivity analysis demonstrates the impact of a reasonably possible change in interest rates on the Company's profit before tax, with all other variables held constant. The impact on profit before tax is mainly on account of changes in interest expense on floating rate borrowings. A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss before tax by the amounts shown below:

Particulars	Impact on profit before tax	
	As At 31.03.2026	As at 31.03.2025
Floating rate borrowings: + 50 basis points	-266.65	-301.13
Floating rate borrowings: - 50 basis points	266.65	301.13

b) Credit Risk

The Company's customer profile is National Highway Authority of India. Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 60 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank / corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

Trade and other receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.



Exposure to Credit Risk		
	(Rs in Lakh)	
Particulars	As At 31.03.2026	As at 31.03.2025
Financial Assets for which allowance is measured using General approach (12-month ECL)		
Non Current Investments	-	-
Non Current Loans	-	-
Other Non Current Financial Assets	70,745.18	76,368.05
Current Investments	-	-
Cash and Cash Equivalents	680.70	1,074.15
Bank Balances other than cash and cash equivalents	8,922.48	5,144.00
Current Loans	-	-
Other Current Financial Assets	2,605.27	2,161.47
Financial Assets for which allowance is measured using Simplified Approach		
Trade Receivables	-	-
Contract Assets	7,363.54	6,928.20

Provision for expected credit Losses

No impairment loss has been recognised during the FY 2025-26 and FY 2024-25.

Summary of change in loss allowances measured using Simplified approach

	(Rs in Lakh)	
Particulars	As At 31.03.2026	As at 31.03.2025
Opening Allowances	-	-
Provided during the year	-	-
Utilization during the year	-	-
Amount written-off	-	-
Closing Allowances	-	-

Summary of change in loss allowances measured using General approach (12-month ECL)

	(Rs in Lakh)	
Particulars	As At 31.03.2026	As at 31.03.2025
Opening Allowances	-	-
Provided during the year	-	-
Utilization during the year	-	-
Amount written-off	-	-
(Exchange Gain) / Loss	-	-
Closing Allowances	-	-

No significant changes in estimation techniques or assumptions were made during the reporting period. During the year, the Company has recognised loss allowance of Rs Nil (Nil).



c) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. The treasury department regularly monitors the position of Cash and Cash Equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The Company's investment policy and strategy are focused on preservation of capital and supporting the Company's liquidity requirements. The senior Management of the Company oversees its investment strategy and achieve its investment objectives. The Company typically invests in government of India debt bonds and mutual funds. The policy requires investments generally to be investment grade, with the primary objective of minimising the potential risk of principal loss.

The NHAI bonds bear a fixed rate of interest thus they are not affected by the change in bond yield rates and the mutual funds are highly liquid assets which are paid out monthly and re-invested.

The table below provides details regarding the significant financial liabilities as at 31 March 2026 and 31 March 2025

Particulars	(Rs in Lakh)		
	As on 31st March, 2026		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	6,896.00	6,896.00	34,484.00
Trade payables	347.52	-	-
Other financial liabilities	245.96	-	-

Particulars	(Rs in Lakh)		
	As on 31 March, 2025		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	6,896.00	6,896.00	41,380.00
Trade payables	135.18	-	-
Other financial liabilities	906.62	-	-

d) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The following table gives details in respect of revenues generated from projects.

Particulars	(Rs in Lakh)	
	For the year ended 31.03.2026	For the year ended 31.03.2025
Revenue from Projects	11,754.11	13,458.48
	11,754.11	13,458.48



IRCON VADODARA KIM EXPRESSWAY LIMITED

CIN - U74999DL2018GOI334028

Notes to financial statements for the year ended 31st March 2026

C. Capital Management

The Company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that the Company can continue to provide maximum returns to shareholders and benefit to other stakeholders. The Company has paid dividend as per the guidelines issued by Department of Investment and Public Asset Management (DIPAM) as follows :-

Dividends :-		(Rs in Lakh)	
Particulars		31-Mar-26	31-Mar-25
Interim Dividend Paid during 2025-26 : Rs 13 per share		1,300.00	-
Total		1,300.00	-

The BoD has recommended a final Dividend of Rs 3.58/- per equity share on face value of Rs 10/- for the financial year 2025-26, subject to the approval of the shareholders at the AGM and the approval of Lenders (Bank of Baroda). This is in addition to Interim Dividend paid @ Rs 13 per equity share on face value of Rs 10/-.

Further, the Company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants.

Debt Equity Ratio :-		(Rs in Lakh)	
Particulars	Note No	31-Mar-26	31-Mar-25
Borrowings	13.1 & 15.1	48,276.00	55,172.00
Long Term Debt		48,276.00	55,172.00
Equity	10	1,000.00	1,000.00
Instruments entirely equity in nature	11	19,574.00	19,574.00
Other Equity	12	20,866.28	17,700.72
Total Equity		41,440.28	38,274.72
Debt Equity Ratio		1.16	1.44



24 Contingent liabilities and Contingent Assets:

(I) Contingent Liabilities:

Disclosure of Contingent Liabilities as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are as under:

(Rs in Lakh)

Particulars	Foot Note	As at 31st March 2025	Addition during the year	Claims settled/paid during the year	As at 31st March 2026
(a) Claims against the company not acknowledged as debts					
Disputed Indirect Tax Demands	1	60.12	4.86	30.34	34.64
Disputed Direct Tax Demands		-	-	-	-
(b) Guarantees excluding financial guarantee		-	-	-	-

Foot Note :

1 Disputed Indirect Tax Demands

During the financial year 2024-25, the Company received a GST Audit Report in Form ADT-02 under the Central Goods and Services Tax Act, 2017 for FY 2021-22 and FY 2022-23, pursuant to which a liability of Rs 60.12 lakh (including interest and penalty) was indicated. Subsequently, Show Cause Notices were issued increasing the proposed demand to Rs 64.98 lakh i.e. increase by Rs 4.86 Lakh.

The demand for FY 2021-22 amounting to Rs 30.34 lakh has since been dropped by the GST Department in December 2025. For FY 2022-23, a demand of Rs 34.64 lakh is under dispute. Based on Management's assessment, the Company does not expect the outflow of resources to be probable and has therefore disclosed the same as a contingent liability as at March 31, 2026, in accordance with Ind AS 37.

(II) Contingent Assets: NIL

25 Commitments:

a) Estimated amount of contracts remaining to be executed on capital account (net of advances) is Rs Nil (Nil).

b) Other Commitments:

Estimated amount of contracts remaining to be accounted for, on other commitments is Rs.680.02 Lakh (Rs.2,109.17 Lakh).

26 (a) Balances with NHAI (Client) is subject to confirmation / reconciliation/ adjustment, if any. The Company has been sending letters for confirmation to parties. However, the Company does not expect any material dispute w.r.t. the recoverability/payment of the same.

(b) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

(c) TDS Receivable amount for the quarter ended 31st March, 2026 is subject to reconciliation as TDS Deductors have not filed their TDS returns whose due date is currently 31st May 2026.

27 (a) Foreign exchange recognised in the statement of profit and loss: NIL

(b) Disclosure of unhedged foreign currency exposure - NIL

(c) Earnings in foreign currency (on accrual basis) : NIL

(d) Expenditure in foreign currency (on accrual basis) : NIL

(e) CIF value of Imports: NIL

(f) Material & store consumed: NIL

28 Disclosure regarding Leases:

I. Company as a Lessee :

(i). The Company has no leasing arrangement which are non-cancellable in nature. Accordingly, no right of use assets and lease liabilities have been recognised by the Company.

(ii). The Company has taken Office on lease with lease terms of 12 months or more, however lease can be terminated on one month notice by either side therefore, Company applies the short-term lease recognition exemption for such lease without any penalty.

The following are the amounts recognised in Statement of Profit and Loss :

(Rs in Lakh)

Particular	For the year ended 31.03.2026	For the year ended 31.03.2025
Lease payments in respect of office premises (included in Project expenses Note 19).	3.64	3.31

II. Company as a Lessor : NIL

29 Segment Reporting:

(i) General Information

Operating segments are defined as components of an enterprise for which discrete financial information is available which is being evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and assessing performance. The Board of Directors of the Company is the Chief Operating Decision Maker (CODM). The Company is engaged in the business of infrastructure development in the state of Gujarat and the Chief Operating Decision Maker (CODM) monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed in accordance with the requirements of Ind AS 108.

(ii) Information about geographical information

As the Company operates in a single geographical segment i.e. India hence no separate geographical segment is disclosed.

(iii) Information about major customer

Revenue of Rs. 11,754.11 Lakhs (Rs. 13,458.48 Lakhs) are derived from a single customer i.e. NHAI which is more than 10% of the Company's total revenue.



30 Related Party disclosures:

Disclosures in compliance with Ind AS 24 "Related Party Disclosures" are as under:

List of Related Parties where control exists and also related parties with whom transactions have taken place and relationships.

a) Enterprises where control exists:

(i) Holding Companies: -

Iron International Limited (IRCON) – The entire Equity Share Capital of the Company is held by Iron International Limited (IRCON)
Holding company.

b) Key Management Personnel (KMP)

Board of Directors

Name	Designation
Shri Masood Ahmad	Director
Ms Aradhana Garg	Director
Shri Santanu Mukherjee	Director
Shri Parag Verma	Director upto 30.04.2025
Shri Yogesh Kumar Misra	Director w.e.f 01.05.2025 & upto 31.10.2025
Shri Ajay Pal Singh	Director w.e.f 01.11.2025

Other Members Identified as Key Management Personnel (KMP)

Name	Designation
Shri Deepak Kumar Garg	Chief Executive Officer upto 11.07.2025
Shri C Santha Kumar	Chief Executive Officer w.e.f 11.07.2025
Shri Raj Kumar	Chief Financial Officer

Company Secretary

Name	Designation
Shri Lakshya Sharma	Company Secretary w.e.f 12.08.2025
Shri Shashwat Chaudhary	Company Secretary upto 14.02.2025

Remuneration to Key management personnel are as under:

S.No.	Particulars	2025-26	2024-25
I	Short Term Employee Benefits	64.29	61.47
II	Post Employment Benefits	6.11	5.60
III	Other Long Term Employee Benefits	8.17	7.72
IV	Termination Benefits	-	-
V	Sitting Fees	-	-
	TOTAL	78.57	74.79

IronVKEL had Part-time Directors during the financial year 2025-26, nominated on the Board by the Holding Company, do not draw any remuneration from the Company. No sitting fee is paid to Part-time Directors.

(c) Related Party Transactions during the year ended 31st March, 2026

S.No.	Particular	Name of Related Party	Nature of Relationship	Transactions During the F.Y 2025-26	Transactions During the F.Y 2024-25
1	Repayment of Unsecured loan by IronVKEL to IRCON	Iron International Limited	Holding Company	-	6,896.00
2	Interest paid/payable	Iron International Limited	Holding Company	-	415.64
3	Purchase of Goods and Services	Iron International Limited	Holding Company	1,429.15	1,749.43
4	Office Rent	Iron International Limited	Holding Company	3.64	3.31
5	Reimbursement of PF/Pension contribution, BG charges, other expenses & staff advance etc to IRCON	Iron International Limited	Holding Company	32.91	22.62
6	Sale of Laptop & furnishing etc	Iron International Limited	Holding Company	1.36	1.20
7	Interim Dividend to IRCON	Iron International Limited	Holding Company	1,300.00	-

Outstanding balances with the related parties are as follows:

S.No.	Particular	Name of Related Party	Nature of Relationship	Outstanding Amount as at 31.03.2026	Outstanding Amount as at 31.03.2025
1	Investment in Equity of IronVKEL by IRCON	Iron International Limited	Holding Company	1,000.00	1,000.00
2	Interest free advance provided by IRCON to IronVKEL i.e. Instruments entirely Equity in nature	Iron International Limited	Holding Company	19,574.00	19,574.00
3	Unsecured loan provided by IRCON to IronVKEL	Iron International Limited	Holding Company	-	-
4	Interest paid/payable on Loan	Iron International Limited	Holding Company	-	575.90
5	Trade Payables	Iron International Limited	Holding Company	335.92	123.26
6	Deposits, Retention money and Money Withheld	Iron International Limited	Holding Company	235.64	318.26

d) Terms and conditions of transactions with related parties

- Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- Outstanding balances of related parties at the reporting date are unsecured and settlement occurs through banking transactions.

31 During the year, the Company has carried out assessment on impairment of individual assets by working out the recoverable amount based on lower of the net realisable value and carrying cost in terms of Ind AS 36, "Impairment of Assets" notified under section 133 of the companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016. Accordingly, impairment loss of Rs Nil has been provided for."



IRCON VADODARA KIM EXPRESSWAY LIMITED

CIN - U74999DL2018GOI334028

Notes to financial statements for the year ended 31st March 2026

32 Earnings Per Share

Disclosure as per Ind AS 33 'Earnings per share'

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit for the year attributable to the equity holders after considering the effect of dilution by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(i) Basic and diluted earnings per share (in Rs.)

Particulars	Note	For the year ended 31st March 2026	For the year ended 31st March 2025
Profit attributable to Equity holders (Rs.in Lakh)	(ii)	4,465.56	4,642.23
Weighted average number of equity shares for Basic and Diluted EPS	(iii)	1,00,00,000.00	1,00,00,000.00
Earnings per share (Basic)		44.66	46.42
Earnings per share (Diluted)		44.66	46.42
Face value per share			

(ii) Profit attributable to equity shareholders (used as numerator) (Rs.lakhs)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Profit for the year as per Statement of Profit and Loss (Rs in Lakh)	4,465.56	4,642.23
Profit attributable to Equity holders of the company used for computing EPS:	4,465.56	4,642.23

(iii) Weighted average number of equity shares (used as denominator) (Nos.)

Particulars	For the year ended 31st March 2026	For the year ended 31st March 2025
Opening balance of issued equity shares	1,00,00,000.00	1,00,00,000.00
Equity shares issued during the year	-	-
Weighted average number of equity shares for computing Basic EPS	1,00,00,000.00	1,00,00,000.00
Dilution Effect:		
Add: Weighted average numbers of potential equity shares outstanding during the year	-	-
Weighted average number of equity shares for computing Diluted EPS	1,00,00,000.00	1,00,00,000.00



33 Employee Benefits

Disclosures in compliance with Ind AS 19 "Employee Benefits" are as under:

Defined Benefit Plans - General Description**(i) Employees on nomination/secondment**

a) The employees in Ircon Vadodara Kim Expressway Limited (Subsidiary Company) are posted on Deputation/secondment basis from Ircon International Limited (Holding Company).

b) In terms of accounting policy of the Company (Note No. 2.2.7) and arrangement with the Holding Company, the provision for Retirement Benefits such as provident fund, pension, gratuity, post retirement medical benefits, Leaves and other terminal benefits of nominated employees is being made by Holding company in terms of Ind AS-19. The amount paid or payable towards provident fund, pension, gratuity, post retirement medical benefits, Leaves and other terminal benefits to the holding company are included in "Employee Benefit Expenses" (Note No 20). Provident Fund Contribution of the employees on nomination/secondment have been regularly deposited by the holding company with its P.F Trust.

(ii) Contract Employees - Gratuity

On 21st November 2025, the Government of India notified provisions of the Code on Wages 2019, the Industrial Relations Code 2020, the Code on Social Security 2020 and the Occupational Safety, Health and Working Conditions Code 2020, which consolidates the existing 29 labour laws into a unified framework governing employee benefits. In accordance with Indian law, the Company operate a scheme of gratuity for eligible contract employees which is a defined benefit plan. Vesting occurs upon completion of contractual period of continuous years of service as defined in the Code on Social Security, 2020.

During the year ended 31 Mar 2026, the Company has recognised gratuity liability for contract employees for the first time based on management's assessment of the applicable legal and regulatory position. The plan is wholly unfunded and, accordingly, no plan assets or qualifying insurance policy exist as at the reporting date and the entire defined benefit obligation is recognised as a liability in the financial statements. The liability in respect of gratuity is determined on the basis of an actuarial valuation carried out as at the reporting date.

The following table sets out the details of the defined benefit plans and the amounts recognised in the financial statements as on March 31, 2026 :

i) Changes in the present value of the defined benefit obligation are**(Rs in Lakh)**

Particulars	Gratuity	
	As at 31st March, 2026	As at 31st March, 2025
Defined benefit obligation at the beginning of the period	-	-
Current service cost	0.27	-
Past service cost including curtailment Gains/Losses	0.24	-
Interest cost	-	-
Benefits paid	-	-
Actuarial loss / (gain) on obligations	-	-
Defined benefit obligation at the end of the period	0.51	-

ii) Changes in fair value of plan assets**(Rs in Lakh)**

Particulars	Gratuity	
	As at 31st March, 2026	As at 31st March, 2025
Fair value of plan assets at the beginning of the period	-	-
Contribution by employer & employee	-	-
Benefits paid	-	-
Interest income	-	-
Remeasurement - return on plan assets excluding interest income	-	-
Fair value of plan assets at the end of the period	-	-

iii) Reconciliation of fair value of plan assets and defined benefit obligation:**(Rs in Lakh)**

Particulars	Gratuity	
	As at 31st March, 2026	As at 31st March, 2025
Fair value of plan assets	-	-
Defined benefit obligation	0.51	-
Amount recognised in the Balance Sheet	(0.51)	-

iv) Amount recognised in Statement of profit and loss**(Rs in Lakh)**

Particulars	Gratuity	
	As at 31st March, 2026	As at 31st March, 2025
Current service cost	0.27	-
Past service cost	0.24	-
Net interest expense	-	-
Amount recognised in statement of Profit and Loss	0.51	-



v) Amount recognised in Other Comprehensive Income:

(Rs in Lakh)

Particulars	Gratuity	
	As at 31st March, 2026	As at 31st March, 2025
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	-	-
Experience adjustments	-	-
Return on Plan Assets excluding Interest Income	-	-
Amount recognised in Other Comprehensive Income	-	-

vi) The major categories of plan assets of the fair value of the total plan assets are as follows:

(Rs in Lakh)

Particulars	Gratuity	
	As at 31st March, 2026	As at 31st March, 2025
Government of India securities	-	-
State Government securities	-	-
High quality corporate bonds	-	-
PSU Bond	-	-
Equity Shares of listed companies	-	-
Fund Managed by Insurer	-	-
Bank Balance	-	-
Total	0%	0%

vii) The principal assumptions used in determining Gratuity liability for the Company's plans are shown below:

(Rs in Lakh)

Particulars	Gratuity	
	As at 31st March, 2026	As at 31st March, 2025
Discount rate	6.52%	0.00%
Future Salary increase	5.00%	0.00%
Mortality rate	100% IALM (2012-14)	-

viii) Quantitative sensitivity analysis for significant assumption shown above as at 31 March is as shown below:

(Rs in Lakh)

Particulars	Gratuity (Impact on DBO)	
	31st March, 2026	31st March, 2025
Present value of obligation at the end of period	0.51	-
Discount rate	6.52%	-
Increase by 0.50%	(0.002)	-
Decrease by 0.50%	0.002	-
Future Salary Increases	5.00%	-
Increase by 0.50%	0.002	-
Decrease by 0.50%	(0.002)	-

The sensitivity analyses 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 shown above occurring at the end of the reporting period.

Sensitivities due to mortality and withdrawals are insignificant and hence ignored.

ix) Expected contribution for next annual reporting period

The expected contribution to the defined benefit plan for next annual reporting period is ₹ 0.74 lakhs (Nil).

x) Maturity profile of defined benefit obligation is as under

Duration of defined benefit obligation duration (years)	Gratuity
1	0.01
2	0.50
3	-
4	-
5	-
6	-
6 year onward	-
Total	0.51

Risk analysis

Company is exposed to a number of risks in the defined benefit plan. Most significant risks pertaining to defined benefits plan, and management's estimation of the impact of these risks are as follows:

a) Discount rate Risk

Reduction in discount rate in subsequent valuations can increase the plan's liability.

b) Longevity risk/ Life expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

c) Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

34 Disclosure under Ind AS-115 on Revenue from contracts with Customers*

(a) Disaggregation of Revenue

Below is the disaggregation of the Company's revenue from contracts with customers:

For the year ended March 31, 2026						
Type of goods or service	Railways	Highway	Electrical	Building	Others	Total
Timing of satisfaction of performance obligation:						
Over time	-	1,780.67	-	-	-	1,780.67
At a point in time	-	-	-	-	-	-
Total	-	1,780.67	-	-	-	1,780.67
Method for measuring performance obligation:						
Input method	-	1,780.67	-	-	-	1,780.67
Output method	-	-	-	-	-	-
Total	-	1,780.67	-	-	-	1,780.67
Geographical markets:						
Domestic	-	1,780.67	-	-	-	1,780.67
International	-	-	-	-	-	-
Total	-	1,780.67	-	-	-	1,780.67
Others	-	9,973.44	-	-	-	9,973.44
Total	-	9,973.44	-	-	-	9,973.44

For the year ended March 31, 2025						
Type of goods or service	Railways	Highway	Electrical	Building	Others	Total
Timing of satisfaction of performance obligation:						
Over time	-	2,083.00	-	-	-	2,083.00
At a point in time	-	-	-	-	-	-
Total	-	2,083.00	-	-	-	2,083.00
Method for measuring performance obligation:						
Input method	-	2,083.00	-	-	-	2,083.00
Output method	-	-	-	-	-	-
Total	-	2,083.00	-	-	-	2,083.00
Geographical markets:						
Domestic	-	2,083.00	-	-	-	2,083.00
International	-	-	-	-	-	-
Total	-	2,083.00	-	-	-	2,083.00
Others	-	11,375.48	-	-	-	11,375.48
Total	-	11,375.48	-	-	-	11,375.48

(b) Contract Balances:

(Rs in Lakh)		
Particulars	31-Mar-26	31-Mar-25
Trade Receivables (Note 7.1)	-	-
Contract Assets (Note 4.2 & 7.5)	78,803.28	84,304.37
Contract Liabilities	-	-

(i) Trade receivables are non-interest bearing and the customer profile is National Highway Authority of India. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 60 days.

(ii) Contract Assets are recognised over the period in which services are performed to represent the Company's right to consideration in exchange for goods or services transferred to the customer. It includes balances due from customers under construction contracts that arise when the Company receives payments from customers as per terms of the contracts however the revenue is recognised over the period under input method. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone.



IRCON VADODARA KIM EXPRESSWAY LIMITED

CIN - U74999DL2018GOI334028

Notes to financial statements for the year ended 31st March 2026

	(Rs in Lakh)	
Particulars	31-Mar-26	31-Mar-25
Contract Assets at the beginning of the year	84,304.37	91,668.49
Contract Assets at the end of the year (Note 4.2 & 7.5)	78,803.28	84,304.37
Net Increase/(Decrease)	(5,501.09)	(7,364.12)

For the year 2025-26, there has been net decrease by Rs 5,501.09 Lakh (For the year 2024-25, there was net decrease by Rs 7,364.12 Lakh).

(iii) Contract liabilities relating to construction contracts are balances due to customers, these arise when a particular milestone payment exceeds the revenue recognised to date under the input method and advance received in long term construction contracts. The amount of Advance received gets adjusted over the construction period as and when invoicing is made to the customer.

	(Rs in Lakh)	
Particulars	31-Mar-26	31-Mar-25
Contract Liabilities at the beginning of the year	-	-
Contract Liabilities at the end of the year	-	-
Net Increase/(Decrease)	-	-

(iv) Details of the Unbilled Revenue Converted into the trade receivables are as follows:-

	(Rs in Lakh)	
Particulars	31-Mar-26	31-Mar-25
Unbilled revenue converted into trade receivable	6,948.25	6,669.54

(e) Revenue recognised in the period from:

(i) The following table shows how much of the revenue recognised in the current reporting period relates to brought-forward contract liabilities.

	(Rs in Lakh)	
Particulars	31-Mar-26	31-Mar-25
Amount received as Advance in Construction Contracts	-	-
Performance obligations satisfied in the previous year	-	-

(f). Cost to obtain the contract

Amount recognised as asset as at 31st March, 2026 is Rs Nil (As at 31st March, 2025: Rs Nil)

Amount of amortisation recognised in the statement of profit and loss during the year is Rs Nil (FY 2024-25: Rs Nil)

(g) Unsatisfied long-term contracts

The following table shows unsatisfied performance obligations resulting from long-term construction contracts:

	(Rs in Lakh)	
Particulars	31-Mar-26	31-Mar-25
Aggregate amount of the transaction price allocated to long-term construction contracts that are partially or fully unsatisfied as at 31 March	37,498.54	39,279.21

Management expects that transaction price allocated to the unsatisfied contracts as of March 31, 2026 will be recognised as revenue in the future as follows:

	(Rs in Lakh)	
Particulars	March 31, 2026**	March 31, 2025**
In one year or less	2,467.39	1,834.87
More than one year to 2 years	2,589.01	2,062.85
More than 2 years	32,442.14	35,381.49
Total	37,498.54	39,279.21

**The amount disclosed above does not include variable consideration which is constrained.



35 Disclosure as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under: -

(Rs in Lakh)

Particulars	For the year 31st Mar 2026	For the year 31st Mar 2025
(a). the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
• Principal amount due to Micro, Small and Medium Enterprises	2.04	-
• Interest due on above	Nil	Nil
(b). the amount of interest paid by the Region in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
(c). the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(d). the amount of interest accrued and remaining unpaid at the end of each accounting year;		
(e). the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		

36 Service Concession Arrangements

Public to private service concession arrangements are recorded in accordance with Appendix "D"- Service Concession Arrangements (Ind AS-115). Appendix "D" is applicable if:

- The Grantor controls or regulates which services the operator should provide with the infrastructure, to whom it must provide them, and at what price; and
- The Grantor controls- through ownership, beneficial entitlement, or otherwise- any significant residual interest in the infrastructure at the end of the term of the arrangement.

If both of the above conditions are met simultaneously, a financial asset is recognized to the extent that the operator has an unconditional contractual right to receive cash or other financial asset from or at the discretion of the Grantor for the service.

These financial assets are initially recognized at cost, which is understood as the fair value of the service provided plus other direct costs directly attributable to the operation. They are then stated at amortized cost at the end of each financial year.

The Company (IrconVKEL) has entered into service concession arrangement with National Highway Authority of India (NHAI) dated 25.08.2018. in terms of which NHAI (the grantor) has authorized the company for construction, operation and maintenance of Vadodara Kim Expressway from (Sapna to Padra Section of Vadodara Mumbai Expressway) (Phase IA-Package II) from km 323.00 to km 355.00 (approx.. 32 km) in the State of Gujarat by Eight-Laning thereof on design, build, finance, operate and transfer ("DBOT Annuity" or "Hybrid Annuity") and transfer basis. In terms of the said agreement IrconVKEL has an obligation to complete construction of the project and to keep the project assets in proper working condition. The Project is under Annuity pattern.

The Concession period shall be 15 years commencing from the appointed date. At the end of the concession period, the assets will be transferred back to National Highway Authority of India (NHAI).

In case of material breach in terms of agreement the NHAI and IrconVKEL have right to terminate the agreement if they are not able to cure the event of default in accordance with such agreement.

Disclosure in terms of Appendix D of Ind AS 115

In terms of the disclosure required in Appendix D in Ind AS -115 Revenue from Customers, as notified in the companies (Indian Accounting Standard) rules 2016, the amount considered in the financial statements up to the balance sheet date are as follows:-

(Rs in Lakh)

Particular	For the year ended 31st March 2026	For the year ended 31st March 2025
Contract Revenue Recognized	1,780.67	2,083.00
Aggregate amount of Cost incurred	1,709.22	2,047.97
Amount of advance received from Client	-	-
Amount of retention by Client (Note No 7.5)	714.51	1,048.02
Profit/(Loss) recognised during the period for exchange of construction service for a financial asset	71.45	35.03
Gross amount due from Client for Contract Works (Note No 7.1)	-	-



37 Disclosures pursuant to amendment in Schedule III of the Companies Act 2013:

The MCA vide notification dated 24th March 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures which are applicable from 1st April 2021. The Company has incorporated the changes as per the said amendment in the financial statements and below disclosures are made in compliance of the said amendment :

- (i) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year ended 31st March 2026 and 31st March 2025.
- (ii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year ended 31st March 2026 and 31st March 2025.
- (iii) The Company do not have any Benami property as on 31st March 2026 and 31st March 2025, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (iv) The Company do not have any prior period errors in the financial year ended 31st March 2026 and 31st March 2025 to be disclosed separately in statement of changes in equity.
- (v) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period for the financial year ended 31st March 2026 and 31st March 2025.
- (vi) During the financial year 2025-26 and 2024-25, the Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) During the financial year 2025-26 and 2024-25, 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,
- (viii) The Company does not have any loans and advances in the nature of loans to promoters, directors, KMP and other related parties for the financial year ended 31st March 2026 and 31st March 2025.
The Company does not have any immovable properties as at 31st March 2026 and 31st March 2025.
- (ix) The Company does not have any transactions in financial year 2025-26 and 2024-25, where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- (x) The Company has not been declared as wilful defaulter by any bank or financial Institution for the financial year ended 31st March 2026 and 31st March 2025.
- (xi) The Company is not required to submit statement of current assets with the bank and therefore reconciliation of the statement filed by the company with bank and the books of accounts is not applicable.
- (xii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (xiii) The Company have not entered into any scheme(s) of arrangements during the year ending 31st March 2026 and period ending 31st March 2025.
- (xiv) The Company does not have any transaction which is not recorded in the books of accounts that has been subsequently surrendered or disclosed as income during the year as part of the on going tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xv) The Company has not received any grants and donations during the year ending 31st March 2026 and period ending 31st March 2025.
- (xvi) The Company does not have any Capital Work- in- Progress, Investment Property, Intangible Assets and Intangible Assets under Development as at 31st March, 2026 and 31st March, 2025. During the year 2025-26 and 2024-25, the company has not revalued any of its Property, plant and equipment.



(xvii) The following accounting ratios are disclosed:

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	% change	Reason for change more than 25%
Current ratio (in times)	Current Assets	Current Liabilities	2.57	2.27	13.22%	Not Applicable
Debt-equity ratio (in times)	Total Debt	Shareholder's Equity	1.16	1.44	-19.44%	Not Applicable
Debt service coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses + Interest	Debt service = Interest & Lease Payments + Principal Repayments	0.78	0.52	50.00%	The increase in the Debt Service Coverage Ratio is mainly attributable to lower principal repayments during the year, following substantial debt repayment (IRCON) in the previous year, resulting in reduced debt servicing obligations.
Return on equity ratio (in %)	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	0.11	0.13	-15.38%	Not Applicable
Inventory turnover ratio (in times)	Cost of goods sold	Average Inventory	Not Applicable			
Trade receivables turnover ratio (in times)	Net credit sales = Gross credit sales - sales return = Revenue from Operation	Average Trade Receivable	0.00	21.75	-100.00%	This Ratio has declined during the year primarily due to a substantial reduction in closing trade receivables and lower credit sales.
Trade payable turnover ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	6.67	6.20	7.58%	Not Applicable
Net capital turnover ratio (in times)	Net sales = Total sales - sales return = Revenue from Operation	Working capital = Current assets - Current liabilities	0.97	1.32	-26.52%	This is due to higher net working capital and softer sales, indicating a more conservative liquidity position while maintaining adequate capacity to support future growth.
Net profit ratio (in %)	Net Profit	Net sales = Total sales - sales return = Revenue from Operation	0.38	0.34	11.76%	Not Applicable
Return on capital employed (in %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.11	0.12	-8.33%	Not Applicable
Return on investment (in %)	Interest generated from Investment (Finance Income)	Time weightage average investment	Not Applicable			



38 Corporate Social Responsibility Expenses (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

a) Amount required to be spent on CSR Activities

Particulars	(Rs in Lakh)	
	For the year 31st Mar 2026	For the year 31st Mar 2025
Gross amount required to be spent by the Company during the year	104.25	116.16
Deposited and claimed in earlier years, now refunded	-	-
Amount approved by the Board to be spent during the year	104.25	116.16

b) Amount spent on CSR Activities

Particulars	For the year 31st Mar 2026			For the year 31st Mar 2025		
	Paid in cash	Yet to be paid	Total	Paid in cash	Yet to be paid	Total
On Construction/acquisition of any asset*	-	-	-	-	76.76	76.76
On purposes other than above	104.25	-	104.25	33.40	6.00	39.40
Total	104.25	-	104.25	33.40	82.76	116.16

*Assets purchased and handed over to respective organisation and are not being held by the Company.

c) Break-up of the CSR expenses under major heads is as under:

Particulars	(Rs in Lakh)	
	For the year ended 31st March 2026	For the year ended 31st March 2025
Contribution to Prime Minister CARES Fund for fighting against COVID-19	-	-
Eradicating hunger, poverty & malnutrition, promoting preventive healthcare & sanitation & making available safe drinking water	74.25	100.14
Promoting Education, including special education and employment enhancing vocation skills especially among children.	30.00	11.62
Ensuring environmental sustainability	-	4.40
Setting up homes and hostels for women and orphans, Setting up old age homes, day care centres and such other facilities for senior citizens.	-	-
Sports	-	-
Others (including Other Admin Cost)	-	-
Total	104.25	116.16

d) Details related to unspent obligations:

Particulars	(Rs in Lakh)	
	For the year ended 31st March 2026	For the year ended 31st March 2025
Unspent amount in relation to:		
- Ongoing project (#) *	11.49	82.76
- Other than ongoing project (##)	-	-



Ongoing Project:

(Rs in Lakh)

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	82.76	-	-	71.27	-	11.49

* Unspent CSR amount of Rs. 82.76 lakh pertaining to FY 2024-25 was transferred on 11 Apr 2025 to the Unspent CSR Account under Section 135(6) of the Companies Act, 2013 in respect of the ongoing project. During FY 2025-26, Rs. 71.27 lakh was utilised from the said account and Rs. 11.49 lakh remains in the Unspent CSR Account as at 31 Mar 2026, earmarked for utilisation towards the said ongoing project.

Other than ongoing project:

(Rs in Lakh)

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year*	Closing Balance
-	-	-	-	-

e) Details related to spent / unspent obligations:

(Rs in Lakh)

Particulars	For the year 31st Mar 2026	For the year 31st Mar 2025
Opening Balance	-	-
Gross amount required to be spent by the Company during the year (as per (a) above)	104.25	116.16
Amount spent by the Company during the year (as per (b) above)*	104.25	33.40
Shortfall/(Excess) amount spent by the company #	-	82.76

* There are no related party transactions in respect to CSR expenditure.

Due to ongoing projects, there is shortfall (i.e. unspent amount) during the year ended 31.03.2025. The Company has transferred Rs 82.76 Lakh (Rs Nil) to a dedicated account called the "Unspent Corporate Social Responsibility Account" on 11.04.2025 i.e. within 30 days of the end of the financial year as per Section 135(6) of the Companies Act, 2013.

Amount spent from the Unspent CSR Account during FY 2025-26 amounting to Rs. 71.27 lakh pertains to the CSR obligation of FY 2024-25 and has been disclosed separately under movement of unspent CSR amount relating to ongoing project(s).



f) Other disclosure:

Particulars	(Rs in Lakh)	
	For the year ended 31st March 2026	For the year ended 31st March 2025
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard (1)	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision is as		
Opening Balance of CSR Provision	82.76	-
Add : Provision created during the period	-	82.76
Less : Provision utilised during the period	71.27	-
Closing Balance of CSR Provision	11.49	82.76

39 Disclosure as per Ind AS-1: Disclosures on presentation of financial statements

During the year ended 31 March 2026, the Company has changed the presentation of Rs19,574.00 lakhs relating to the interest-free amount received from IRCON, Holding Company, which was previously presented under "Other Equity" as "Deemed Equity". Based on the terms of the underlying arrangement and management's assessment of the appropriate presentation in the financial statements, this amount is now presented as a separate line item under Equity titled "Instruments entirely equity in nature".

Accordingly, the comparative figures as at 31 March 2025 have been reclassified to match the current year presentation, in accordance with Ind AS 1 – Presentation of Financial Statements.

This reclassification is only a presentation change within Equity and has no impact on total Equity, profit for the year, total comprehensive income, earnings per share or cash flows.

The effect of the above reclassification is as follows:

Particulars	(Rs in Lakh)		
	Before Reclassification As at 31 March 2025	Reclassification	After Reclassification As at 31 March 2025
Other Equity			
Retained Earnings	17,700.72	-	17,700.72
Other Reserve(Deemed Equity)	19,574.00	(19,574.00)	-
A	37,274.72	(19,574.00)	17,700.72
Instruments entirely equity in Nature			
Instruments entirely equity in Nature (Refer Note No. 11)	-	19,574.00	19,574.00
B	-	19,574.00	19,574.00
A+B	37,274.72	-	37,274.72

Consequent to the above, the comparative figures disclosed in this note have been regrouped / reclassified, wherever necessary, to match the current year presentation.



40 Dividned**a) Interim Dividend**

During the year ended 31 March 2026, the Board of Directors, at its meeting held on 30 January 2026, declared and paid the first interim dividend of Rs 13 per equity share of face value Rs 10 each, aggregating to Rs 1,300 lakhs. The dividend was recognised as a distribution to owners on the date of declaration, as it was appropriately authorised and no longer at the discretion of the Company, and was subsequently discharged on payment. The interim dividend was declared out of profits available for distribution in accordance with section 123 of the Companies Act, 2013.

b) Final Dividend

The Board of Directors, at its meeting held on 05.05.2026, has recommended a final dividend of Rs 3.58 per equity share of face value Rs 10 each for the financial year ended 31 March 2026, aggregating to Rs 358 Lakh, subject to approval of the shareholders at the ensuing Annual General Meeting and approval of Lenders (Bank of Baroda). As the said dividend was not approved by the shareholders as at 31 March 2026, no liability has been recognised in these financial statements. In accordance with Ind AS 10, the proposed final dividend has been disclosed as an event after the reporting period and will be recognised in the period in which it is approved by the shareholders

41 Recent Accounting Pronouncements

The Ministry of Corporate Affairs ("MCA") notifies new accounting standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules from time to time.

Amendments effective from April 1, 2025**a.Ind AS 21 - The Effects of Changes in Foreign Exchange Rates**

In May 2025, Ind AS 21 Amendments – Currency Exchangeability Clarifies how to assess exchangeability and determine spot rates when currencies can't be exchanged, with disclosure of impacts on performance, position, and cash flows.. The Company has evaluated the impact of the said amendment and concluded that it does not have any impact on its financial statements.

b.Ind AS 1 - Presentation of Financial Statements

In August 2025, the MCA notified amendments relating to the classification of liabilities as current or non-current, including guidance on non-current liabilities with covenants. The amendments clarify that the right to defer settlement must exist as at the reporting date and should be substantive. The Company has assessed the amendment and concluded that there is no impact on the classification of its current and non-current liabilities

c.Ind AS 7 - Statement of Cash Flows and Ind AS 107 - Financial Instruments: Disclosures

The amendments introduce disclosure requirements for supplier finance arrangements, including details of the nature of such arrangements, carrying amounts of related liabilities, and payment terms. Additionally, such arrangements are considered in assessing concentration of liquidity risk. The Company has evaluated these amendments and determined that they do not have any impact on its financial statements.

d.Ind AS 12 - Income Taxes – International Tax Reform: Pillar Two Model Rules

The amendments introduce a temporary mandatory exception from the recognition of deferred taxes arising from the implementation of the Pillar Two Model Rules and require disclosure of its application. As the Company has not undertaken transactions of this nature, these amendments have no impact on its financial statements.



42 Disclosure as required by Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The Government of India has consolidated 29 labour laws into four New Labour Codes, effective 21 November 2025; however, the related rules are yet to be notified. Accordingly, Material Accounting Policy No. 2.2.7 relating to Employee Benefits has been revised.

Pursuant to the above, the Company has recognised gratuity liability for eligible contract employees for the first time, based on actuarial valuation and management's assessment of the applicable legal position. Consequently, a defined benefit obligation of Rs 0.51 Lakhs has been recognised in the financial statements (refer Note 33).

S.no	Particulars	Amount (Rs in Lakh)
1	Past service cost charged to P&L	0.24
2	Current service cost charged to P&L	0.27
3	Impact on profit before tax	0.51
4	Impact on Other Comprehensive Income	Nil
5	Defined benefit obligation recognised	0.51

The above has been accounted for prospectively in the current year, there being no impact on comparative periods.

43 Disclosure pursuant to section 186 of the Companies Act 2013:

There are no loans given, investments made and guarantee given by the Company during the year.

44 Other disclosures

- (i) The Company has a system of obtaining periodic confirmation of balances from banks and other parties.
- (ii) In the opinion of the management, the value of assets on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
- (iii) Figures rounded off to the nearest rupees in Lakh.



IRCON VADODARA KIM EXPRESSWAY LIMITED

CIN - U74999DL2018GOI334028

Notes to financial statements for the year ended 31st March 2026

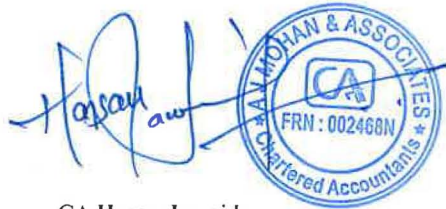
- 45 Certain previous year figures have been reclassified for consistency with current year presentations. These reclassifications have no effect on the reported results of operations. Also, previous year figures are shown under bracket () to differentiate from current year figures.

As per our Report of even date attached

For A J Mohan & Associates

Chartered Accountants

FRN : 002468N



CA Hasan Jawaid

Partner

M. No. 468230

UDIN: 26468230QNIAJX4721

Place : New Delhi

Date : 05.05.2026

For and on behalf of Board of Directors

Ircon Vadodara Kim Expressway Limited



Santanu Mukherjee

Director

DIN - 10895834



C Santhia Kumar
CEO



Raj Kumar
CFO



Masood Ahmad
Director
DIN - 09008553



Laksheya Sharma
CS
(Mem. No. AH585)

प्रधान निदेशक लेखापरीक्षा
का कार्यालय,
रेलवे वाणिज्यिक,
4, दीनदयाल उपाध्याय मार्ग
नई दिल्ली - 110002



OFFICE OF THE
PRINCIPAL DIRECTOR OF
AUDIT RAILWAY
COMMERCIAL,
4, DEEN DAYAL UPADHYAYA
MARG, NEW DELHI-110002

संख्या/पी.डी.ए/आर.सी/AA-IRCONVKL/03-66 /2026-27/ 330

दिनांक: 11.08.2026

सेवा में,

निदेशक,
इरकॉन वडोदरा किम एक्सप्रेसवे लिमिटेड,
सी-4, डिस्ट्रिक्ट सेंटर, साकेत,
नई दिल्ली - 110 017

विषय: 31 मार्च 2026 को समाप्त वर्ष के लिए इरकॉन वडोदरा किम एक्सप्रेसवे लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

महोदय,

मैं, इरकॉन वडोदरा किम एक्सप्रेसवे लिमिटेड के 31 मार्च 2026 को समाप्त वर्ष के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ।

कृपया इस पत्र की संलग्नको सहित प्राप्ति की पावती भेजी जाए।

संलग्न: यथोपरी

भवदीय,

(तेग सिंह)

प्रधान निदेशक (रेलवे वाणिज्यिक)

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF IRCON VADODARA KIM EXPRESSWAY LIMITED FOR THE YEAR ENDED 31 MARCH 2026.

The preparation of financial statements of **IRCON Vadodara Kim Expressway Limited** for the year ended 31 March 2026 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 29 July 2026 which supersedes their earlier Audit Report dated 5 May 2026.

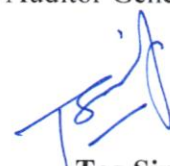
I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **IRCON Vadodara Kim Expressway Limited** for the year ended 31 March 2026 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records.

In view of the revision(s) made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditor's report under section 143(6)(b) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

Place: New Delhi

Dated: 11.08.2026



Teg Singh
Principal Director of Audit
Railway Commercial, New Delhi



IRCON VADODARA KIM EXPRESSWAY LIMITED
(‘IrconVKEL’)

Registered & Corporate Office:

C-4, District Centre, Saket, New Delhi -110017, India
Tel.: +91-11-29565666 | Fax: +91-11-26522000, 26854000
E-mail id: csirconvkel@gmail.com