



IRCON AKLOLI-SHIRSAD EXPRESSWAY LIMITED

(A Wholly owned subsidiary of Ircon International Limited)

CIN: U45309DL2021GOI391629

ANNUAL REPORT

FY 2025-26



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COMPANY PROJECT

Construction of Eight Lane access-controlled Expressway from Km 3.000 to Km 20.200 (Shirsad to Akloli Section-SPUR of Vadodara Mumbai Expressway) in the State of Maharashtra on Hybrid Annuity Mode (HAM) under Bharatmala Pariyojana (Phase II- Package XIV)

BOARD OF DIRECTORS

Mr. Surender Singh, Chairman

Mr. Ajay Pal Singh, Director

Mr. Masood Ahmad, Director

Mr. Sanjay Bisariya, Director

Ms. Yamini Sahib, Director

STATUTORY AUDITOR

M/s S S A G & Associates,
Chartered Accountants

EPC CONTRACTOR TO COMPANY

Ircon International Limited
Holding Company

COST AUDITOR

M/s Pawan Dixit & Co.,
Cost Accountants

REGISTERED OFFICE

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

SECRETARIAL AUDITOR

M/s Vasisht & Associates,
Practising Company Secretary

CONTACT PERSON

Ms. Sapna
Compliance Officer
Email id: cospv.ircon@gmail.com

INTERNAL AUDITOR

M/s Singhal Sunil & Associates,
Chartered Accountants

BANKER OF THE COMPANY

Bank of Baroda

BOARD OF DIRECTORS



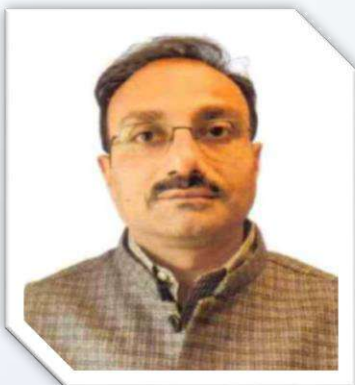
Shri Surender Singh
Chairman



Shri Ajay Pal Singh
Director



Shri Masood Ahmad
Director



Shri Sanjay Bisariya
Director



Ms. Yamini Sahib
Director

CHAIRMAN'S MESSAGE



Dear Shareholders,

It gives me immense pleasure to welcome you all on behalf of the esteemed members of the Board to the Fifth (5th) Annual General Meeting (AGM) of Ircon Akloli-Shirsad Expressway Limited (IrconASEL) and present to you the Directors' Report and the Audited Financial Statements for the financial year ended 31st March, 2026. I would like to express my sincere gratitude for making it convenient for attending the AGM.

About the Company

It is my privilege to place before you, highlights of IrconASEL for the FY 2025-26.

Ircon International Limited ("IRCON") has been awarded the work of construction of Eight Lane access-controlled Expressway from Km 3.000 to Km 20.200 (Shirsad to Akloli Section-SPUR of Vadodara Mumbai Expressway) ('the Project') in the State of Maharashtra on Hybrid Annuity Mode (HAM) under Bharatmala Pariyojana (Phase II-Package XIV), in accordance with the Concession Agreement with National Highway Authority of India (NHAI). In terms of condition stipulated in Letter of Award issued by NHAI, IRCON has incorporated your Company as its wholly-owned subsidiary and a Special Purpose Vehicle for execution of the Project.

IrconASEL has entered into Concession Agreement with NHAI on 27th January, 2022 and the concession period of the project comprises of construction period 548 days from the appointed date i.e., 10th November 2022 and operation period of 15 years commencing from Commercial Operation Date (COD). IRCON was appointed as EPC Contractor for execution of the project work.

As per financial model, the adjusted Bid Project Cost is Rs.1293.76 crore. The 40% of the project bid cost shall be reimbursed by NHAI during construction phase and balance 60% will be receivable after construction in the form of Annuity that will be financed during construction by a mix of debt and equity in the ratio of 80:20.

The financial closure has been achieved on 26th August, 2022 and subsequently, the appointed date fixed by NHAI is 10th November, 2022.

Financial Performance

As on 31st March, 2026, Total Income is Rs.41,522.12 lakhs and Loss After Tax is Rs.1,845.55 lakhs as compared to Total Income is Rs.41,860.94 lakhs and Profit After Tax (PAT) is Rs.607.79 lakhs in the previous year.

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 (DPE), 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 MoRTH, 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 employees for their dedication, intellect, hard work. 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 Board of Directors
of Ircon Akloli-Shirsad Expressway Limited**

**Sd/-
(Surender Singh)
Chairman
DIN: 09214484**

**Date: 28th July, 2026
Place: New Delhi**

DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting the **5th Annual Report of Ircon Akloli-Shirsad Expressway Limited (IrconASEL)** 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:

Ircon Akloli-Shirsad Expressway Limited (IrconASEL), a wholly owned subsidiary of Ircon International Limited (IRCON) was incorporated on 23rd December, 2021 as a Special Purpose Vehicle (SPV) with the main object to carry the business of Construction of Eight Lane access-controlled Expressway from Km 3.000 to Km 20.200 (Shirsad to Akloli Section-SPUR of Vadodara Mumbai Expressway) ('the Project') in the State of Maharashtra on Hybrid Annuity Mode (HAM) under Bharatmala Pariyojana (Phase II-Package XIV), in accordance with the Concession Agreement with National Highway Authority of India (NHAI).

IrconASEL has entered into Concession Agreement with NHAI on 27th January, 2022. As per financial model, the adjusted Bid Project Cost is Rs.1293.76 crore. The 40% of the project bid cost shall be reimbursed by NHAI during construction phase and balance 60% crore will be receivable after construction in the form of Annuity that will be financed during construction by a mix of debt and equity in the ratio of 80:20. The Bank of Baroda has sanctioned a term loan of Rs.686.37 crore. As on 31st March, 2026, Bank of Baroda has disbursed a loan of Rs.593.70 crore.

The financial closure has been achieved on 26th August, 2022 and subsequently, the appointed date fixed by NHAI is 10th November, 2022. The concession period of the project comprises of construction period of 548 days from the appointed date (i.e., 10th November, 2022) and operation period of 15 years commencing from Commercial Operation Date (COD). IRCON has been appointed as EPC Contractor for execution of said project. The operation and maintenance phase shall commence on completion of construction.

As on 31st March, 2026, a physical progress of 98.24% and financial progress of 98.19% has been achieved. The completion milestone as stipulated under the Concession Agreement is presently under process. The NHAI HQ Committee has recommended issuance of the Provisional Completion Certificate (PCC) w.e.f. 15th April, 2026, which is presently under approval at NHAI HQ level.

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 Lakhs)

Sl. No.	Particulars	For the Financial Year Ended 31.03.2026	For the Financial Year Ended 31.03.2025
1.	Equity Share Capital	934.00	434.00
2.	Other Equity (includes Reserves and Surplus)	13,440.26	11,826.31
3.	Net Worth	14,374.26	12,260.31
4.	Borrowings (including current maturities)	59,370.00	35,570.00
5.	Total Assets and Liabilities	83,713.69	54,809.68
6.	Revenue from Operations	41,460.59	41,499.34
7.	Other Income	61.53	361.60
8.	Total Income (6) + (7)	41,522.12	41,860.94
9.	Profit Before Tax	(2,462.24)	812.22
10.	Profit After Tax	(1,845.55)	607.79
11.	Earnings Per Equity Share (on face value of Rs.10/- per share)		
	(i) Basic		
	(ii) Diluted	-22.92	14.00

3. DIVIDEND & APPROPRIATION TO RESERVE:

The Board of Directors does not recommend any dividend for the financial year 2025-26.

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 negative balance of Rs.517.74 Lakhs in Retained Earnings as on 31st March, 2026.

4. CREDIT RATING

During the FY 2025-26, Infomerics Valuation and Rating Ltd. has provided IVR AA/Stable rating for the long-term bank facilities of Rs. 686.37 Crore to your Company.

5. SHARE CAPITAL/ DEMATERIALISATION:

During the year, the Company has increased its Paid-up Share Capital from Rs.4.34 Crore to Rs.9.34 Crore by allotting 50,00,000 equity shares of Rs. 10/- each to Ircon International Limited (IRCON) by way of right issue.

At the end of the FY 2025-26, the Authorized Share Capital and the Paid-up Share Capital of the Company is Rs.17.50 Crores comprising of 1,75,00,000 Equity Shares of Rs.10/- each and Rs. 9.34 Crores comprising of 93,40,000 Equity Shares of Rs.10/- each respectively. Ircon International Limited (IRCON) continues to hold 100% paid-up share capital of IrconASEL.

Further, subsequent to period under review, the Company has increased its Paid-up Share Capital from Rs.9.34 Crore to Rs.17.16 Crore by allotting 78,20,000 equity shares of Rs. 10/- each to Ircon International Limited (IRCON) on 7th July, 2026 by way of right issue. Therefore, as on date, Authorized Share Capital and the Paid-up Share Capital of the Company stands at Rs.17.50 Crore comprising of 1,75,00,000 Equity Shares of Rs.10/- each and Rs.17.16 Crore comprising of 1,71,60,000 Equity Shares of Rs.10/- each respectively.

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:

As the Company is in construction phase, the Company is having a negative Cash Flows from operating activities of Rs. 29,014.93 Lakhs 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 five (5) Directors including Chairman i.e. Shri Surender Singh (Chairman), Shri Ajay Pal Singh, Shri Masood Ahmad, Shri Sanjay Bisariya and Ms. Yamini Sahib, Non-Executive, Part-time (Nominee) Directors. Details of Directors along with change in the composition of the Board of Directors during the year and after the closure of the year are as follows:

Category, Name & Designation	DIN	Appointment or Cessation (during and after closure of the FY, if any)
Surender Singh, Director	09214484	Re-designated as Chairman w.e.f. 1 st November, 2025 Regularised as Part-time (Nominee) Director in the last Annual General Meeting held on 29 th August, 2025 after his appointment as Additional Part-time (Nominee) Director w.e.f. 01 st May, 2025
Shri Yogesh Kumar Misra, Chairman	07654014	Ceased to be Chairman and Part-time (Nominee) Director of the Company w.e.f. 31 st October, 2025 Re-designated as Chairman w.e.f. 1 st May, 2025

Shri Parag Verma, Director	05272169	Ceased to be Chairman and Part-time (Nominee) Director of the Company w.e.f. 30 th April, 2025
Shri Masood Ahmad, Director	09008553	-
Ms. Yamini Sahib, Director	10686600	-
Shri Sanjay Bisariya, Director	11291128	Appointed as Additional Part-time (Nominee) Director w.e.f. 10 th September, 2025
Shri Ajay Pal Singh, Chairman	07315969	Appointed as Additional Part-time (Nominee) Director w.e.f. 1 st November, 2025

Further, there was no change in the composition of the Board of Directors after the closure of the financial year.

Shri Ajay Pal Singh and Shri Sanjay Bisariya were nominated by IRCON as Additional Part-time (Nominee) Director of the Company w.e.f. 1st November, 2025 and 10th September, 2025, respectively, who shall hold office upto the date of the ensuing Annual General Meeting (AGM). The Company has received notices under section 160 of the Companies Act, 2013 from Shri Ajay Pal Singh and Shri Sanjay Bisariya giving their candidature for appointment as Directors, liable to retire by rotation, in the ensuing AGM. Their appointment as Directors by Shareholders is included in the notice of the AGM.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Shri Masood Ahmad shall retire by rotation at the ensuing Annual General Meeting of your Company and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment as Director and his 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:

The Company was not required to appoint Key Managerial Personnel (KMP) pursuant to Section 203 of the Companies Act, 2013. As on 31st March, 2026, Shri Amit Adkane was Chief Executive Officer (CEO) and KMP of the Company. Subsequent to the period under review, Shri Amit Adkane ceased to be Chief Executive Officer (CEO) of the Company w.e.f. 22nd June, 2026 and Shri Shiva Sankar Vyasalapu was appointed as Chief Executive Officer (CEO) of the Company w.e.f. 28th July, 2026 pursuant to nomination by the Holding Company.

9. BOARD MEETINGS

During the financial year 2025-26, the Board met Six (6) times on 29-04-2025, 23-06-2025, 29-07-2025, 30-10-2025, 30-01-2026 and 23-03-2026. 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:

Number of the Meeting	Date of the Meeting	Board Strength	No. of Directors Present
19	29-04-2025	4	4
20	23-06-2025	4	4
21	29-07-2025	4	4
22	30-10-2025	5	4
23	30-01-2026	5	4
24	23-03-2026	5	5

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	23-06-2025	29-07-2025	30-10-2025	30-01-2026	23-03-2026				
Shri Surender Singh (w.e.f. 01.05.2025)	NA	✓	✓	✓	✓	✓	Y	5	5	100
Shri Parag Verma (upto 30.04.2025)	✓	NA	NA	NA	NA	NA	NA	1	1	100
Shri Yogesh Kumar Misra (upto 31.10.2025)	✓	✓	✓	✓	NA	NA	Y	4	4	100
Shri Ajay Pal Singh (w.e.f. 01.11.2025)	NA	NA	NA	NA	✓	✓	NA	2	2	100
Shri Masood Ahmad	✓	✓	✓	x	✓	✓	Y	6	5	83.33
Shri Sanjay Bisariya (w.e.f. 10.09.2025)	NA	NA	NA	✓	x	✓	NA	3	2	66.66
Ms. Yamini Sahib	✓	✓	✓	✓	✓	✓	Y	6	6	100

10. INDEPENDENT DIRECTORS & BOARD COMMITTEES & CORPORATE GOVERNANCE GUIDELINES ISSUED BY DPE

In terms of provisions of section 149(4) of the Companies Act, 2013 read with rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, unlisted public companies, which are wholly owned subsidiaries are exempted from the requirement of appointing Independent Directors on their Board.

Also, read with the provisions of section 177(1), 178(1) and rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the requirement of constitution of 'Audit

Committee' and 'Nomination and Remuneration Committee', is not applicable on such companies.

Further, in terms of Department of Public Enterprises (DPE) OM dated July 8-10, 2014 read with OM dated July 11, 2019, the CPSE's constituted as Special Purpose Vehicle (SPV) are exempted from compliance with the DPE Guidelines on Corporate Governance for CPSEs.

Accordingly, IrconASEL, an unlisted public company and a wholly-owned subsidiary company of IRCON, is not required to appoint Independent Directors on its Board, and the declaration by the Independent Directors is also not applicable. Further, the constitution of Audit Committee and Nomination & Remuneration Committee of the Board is also not applicable. Also, Corporate Governance Guidelines of DPE are not applicable on IrconBMEL.

11. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company confirms:

- a) 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;
- b) 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;
- c) 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;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) 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.

12. 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.

13. AUDITORS

Statutory Auditor

M/s S S A G & Associates, Chartered Accountants, had been appointed as Statutory Auditors for the financial year 2025-26 vide C&AG letter No./CA. V/COY/CENTRAL GOVERNMENT ,IRASEL(1)/1735 dated 12st 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

The Board of Directors appointed M/s Pawan Dixit & Co., Cost Accountants, as Cost Auditor of the Company for the financial year 2025-26 for conducting the audit of cost records maintained by the Company as per the applicable Rules/ Guidance Note, etc.

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 Vasisht & Associates, Practising Company Secretary, as Secretarial Auditor of the Company for the financial year 2025-26 for conducting Secretarial Audit of the Company in accordance with the provision 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.

14. 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.

15. 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 are enclosed to this report as **Annexure-A**.

16. 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.

17. 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.

18. RISK MANAGEMENT

In the opinion of the Board, presently the Company does not foresee any major threat/ risk to the business of the Company.

19. 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.8.12 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.

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.11.98 lakh, an amount of Rs.11.98 lakh has been spent on CSR. 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.

Corporate Social Responsibility (CSR) Committee:

In terms of the provisions of sub-section (9) of section 135 of the Companies Act, 2013 and since the CSR budget of the Company for the year (i.e. Rs. 11.98 lakhs) did not exceed Rs. 50 lakhs, the requirement for constitution of the CSR Committee was not be applicable on the Company during the year.

20. 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.

IrconASEL 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.

21. CHANGE IN THE NATURE OF BUSINESS

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

22. PUBLIC DEPOSITS

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

23. 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.

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

No order has 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.

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

In compliance of the government guidelines, IrconBMEL has onboarded on all five (5) operational TReDS platforms. Details of the onboarding on TReDS platforms are as under:

Platform	Date of Onboarding
1. Receivables Exchange of India Ltd (RXIL)	15-07-2023
2. M1xchange	16-03-2026
3. DTX by KredX	09-02-2026
4. C2treds	28-02-2026
5. Invoicemart	07-03-2026

26. 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, '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

27. STATEMENT ON MATERNITY BENEFIT COMPLIANCE

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

28. 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://www.ircon.org/images/file/cosecy/Whistle-Blower-Policy.pdf>.

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

Shri Masood Ahmad, Director
Ircon Akloli-Shirsad Expressway Limited (IrconASEL)
Address: Ircon International Limited,
C-4, District Centre, Saket, New Delhi- 110017
Phone No.: +91 -9560595062, Email id: masood.ahmad@ircon.org

29. RIGHT TO INFORMATION

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

30. 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 (IRCON), 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.

31. 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).

32. SECRETARIAL AUDIT REPORT

The “Secretarial Audit Report” of the Company for the financial year 2025-26 from the Secretarial Auditor 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.

33. STATUTORY AUDITORS' REPORT AND C&AG COMMENTS

The reports of the Statutory Auditors on the Financial Statements for financial year 2025-26 with Nil observation are attached separately as part of the Annual Report. The report is self-explanatory and does not require any further comments by the Board.

Comptroller & Auditor General of India (C&AG) has undertaken supplementary audit on the accounts of the Company for the year ended 31st March, 2026 under Section 139(5) of the Companies Act, 2013. The comments of the C&AG on the Annual Accounts of the Company for the year ended 31st March, 2026 along with management reply, if any, will forms part of this report as and when received.

34. 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.

35. 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 (C&AG) 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 Akloli-Shirsad Expressway Limited**

**Sd/-
(Surender Singh)
Chairman
DIN: 09214484**

**Date: 28th July, 2026
Place: New Delhi**

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 during the period from 01st April, 2025 to 31st March, 2026

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.	Corporate Identity Number (CIN) & Name of the related party and nature of relationship	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.	Ircon International Limited (IRCON) Holding Company (CIN: L45203DL1976 GOI008171)	EPC Agreement (For Appointing Ircon International Limited as EPC Contractor for construction, maintenance and management of Eight lane access controlled Expressway from Km 3.000 to Km 20.200 (Shirsad to Akloli Section – Spur of Vadodara Mumbai Expressway) in the State of Maharashtra on EPC mode under Bharatmala Pariyojna (Phase II - Package XIV).	548 days from the appointed date and 5 year O&M Period	Agreement dated 02 nd September, 2022 and Supplementary Agreement dated 27 th March, 2026. The Contract has been awarded to IRCON for a consideration of Rs.1,060.23 crore Plus GST.	22 nd July, 2022	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	NA	NIL

Note: Apart from above said transactions, IRCON (holding company) has deputed its employee i.e., Chief Executive Officer (CEO) to IrconASEL 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 Akloli-Shirsad Expressway Limited**

Sd/-
(Surender Singh)
Chairman
DIN: 09214484

Date: 28th July, 2026
Place: New Delhi

Annual Report on CSR Activities

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.

IronASEL 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 DPE Guidelines, 2014, 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

In terms of the provisions of sub-section (9) of section 135 of the Companies Act, 2013 and since the CSR budget of the Company for the year (i.e. Rs. 11.98 lakhs) did not exceed

Rs.50 lakhs, therefore, the requirement for constitution of the CSR Committee was not be applicable on the Company during the year.

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
	Not Applicable		

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.5,99,14,424/-

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

Rs.11,98,290/-

(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.11,98,290/-**

6. (in Rs.)

(a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects)	11,98,500
(b) Amount spent in Administrative Overheads	Nil
(c) Amount spent on Impact Assessment, if applicable	Nil
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	11,98,500

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

(in Rs.)

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
NIL	11,98,500	29-04-2026	NIL	NIL	NIL

(f) Excess amount for set off, if any

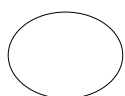
Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	11,98,290
(ii)	Total amount spent for the Financial Year	11,98,500
(iii)	Excess amount spent for the financial year [(ii)-(i)]	210
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	2.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	210*

* The excess amount of Rs.210/- spent on CSR project shall not be carried forward or adjusted as set-off against CSR requirements of succeeding financial years.

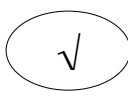
7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl.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 (in Rs.)			Amount (in Rs.)	Date of Transfer	
1	2024-25	Nil					
2	2023-24						
3	2022-23						
Total		Nil					

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.**

Sl.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).: Not Applicable

For and on behalf of Board of Directors
of Ircon Akloli-Shirsad Expressway Limited

Sd/-
(Surender Singh)
Chairman
DIN: 09214484

Date: 28th July, 2026
Place: New Delhi

**FORM NO. MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 2025-2026**

[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 AKLOLI-SHIRSAD EXPRESSWAY LIMITED
CIN: U45309DL2021GOI391629
C-4, District Centre, Saket, South Delhi, Delhi-110017, India

I, Shobhit Vasisht, Proprietor of Vasisht & Associates, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IRCON AKLOLI-SHIRSAD EXPRESSWAY LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on the 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 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; **(Not Applicable to the Company)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not Applicable to the Company)**
- (iv) The Foreign Exchange Management Act, 1999 and the rules made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company)**

Regd Office: 441, Sector-2, Faridabad-121004, Haryana, India
Email: cs@vasishtassociates.com, Web: www.vasishtassociates.com
Contact No: +91-9953259389, +91-9220471009

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;**(Not Applicable to the Company)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company)**
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;**(Not Applicable to the Company)**
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;**(Not Applicable to the Company)**
 - (e) The Securities and exchange board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;**(Not Applicable to the Company)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 and amendments thereof regarding the Companies Act and dealing with client;**(Not Applicable to the Company)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021;**(Not Applicable to the Company)**
 - (h) The Securities and Exchange Board of India (Buy back of securities) Regulations, 2018;**(Not Applicable to the Company)**
 - (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations 2021;**(Not Applicable to the Company)**
- (vi) I further report that the Company has established systems and processes to ensure compliance with applicable general laws. With respect to the adequacy of compliance with other applicable laws, including industry or sector-specific laws under both Central and State legislations, reliance has been placed on the representations provided by the Company and its officers regarding the systems and mechanisms implemented by the Company for ensuring such compliance.

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 have been subject to review by the statutory auditor(s) and other designated professionals.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General meeting;
- (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) got an 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.)

I report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines etc. mentioned above.

I further report that:

- The Board of Directors of the Company has been duly constituted with Non-Executive Directors (including Women Director) as nominated by its Holding Company ("Ircon International Limited"), as per the Articles of Association of the Company. 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, agenda and detailed notes on agenda were sent at least seven days in advance, except for meetings of the Board of Directors, where consent for shorter notice was obtained. System exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at the Board Meetings, as represented by the management, were taken unanimously as recorded in the minutes of the meeting of the Board of Directors.
- As per the explanations given to me and the representations made by the Management and relied upon by me, 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.

During the period under review, as explained and represented by the management, there were specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., have been undertaken by the Company:

1. The Company allotted 50,00,000 (Fifty Lakh) Equity Shares of ₹10/- each at par on a rights issue basis to its holding Company, Ircon International Limited, pursuant to the provisions of Section 62 of the Companies Act, 2013, resulting in an increase in the paid-up share capital of the Company from ₹4.34 Crore to ₹9.34 Crore.

For VASISHT & ASSOCIATES;

(Company Secretaries)

SHOBHIT VASISHT
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SHOBHIT VASISHT
Date: 2026.07.15
12:41:58 +05'30'

CS SHOBHIT VASISHT

UDIN:F011517H000838827

PR No: 2355/2022

FCS No: 11517

C P No: 21476

Date: July 15, 2026

Place: Faridabad

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

Annexure-A

To,
The Members,
IRCON AKLOLI-SHIRSAD EXPRESSWAY LIMITED
CIN: U45309DL2021GOI391629
C-4, District Centre, Saket, South Delhi, Delhi-110017, India

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

FOR VASISHT & ASSOCIATES;

(Company Secretaries)

SHOBHIT
VASISHT

Digitally signed by
SHOBHIT VASISHT
Date: 2026.07.15
12:42:23 +05'30'

CS SHOBHIT VASISHT

UDIN:F011517H000838827

PR No: 2355/2022

FCS No: 11517

C P No: 21476

Date: July 15, 2026

Place: Faridabad



REVISED INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON AKLOLI-SHIRSAD EXPRESSWAY LIMITED

Report on the Audit of the IndAS Financial Statements

Opinion

We have audited the Ind AS financial statements of **IRCON AKLOLI-SHIRSAD 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 ended 31st March 2026, and the notes to the Financial Statements, including a summary of the material accounting policy information and other explanatory information.

This report, revised consequent upon observations of Comptroller and Auditor General of India during course of audit u/s 139(5) of the Companies Act, 2013 for the year ended 31st March 2026, supersedes our earlier report dated 05.05.2026 u/s 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 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit and loss and total comprehensive income, changes in equity and its cash flows for the year ended 31st March 2026.

Basis for Opinion

We conducted our audit of the Ind AS 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 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, 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 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 Ind AS Financial Statements of the current financial year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition in terms of Ind AS 115 : “ Revenue from contracts with NHAI”

Accounting standard on Revenue, which prescribes five steps revenue recognition model. The company recognizes revenue for a performance obligation satisfied over time after estimating its progress towards complete satisfaction of the performance obligation. The recognition of revenue requires assessments and judgements to be made on changes in work scope, claims (compensation, rebates etc.) and other payments to the extent performance obligation is satisfied.

In the contracts where performance obligation cannot be measured by input method, the output method is applied, which faithfully depict the company's performance towards complete satisfaction of the performance obligation. As such the company recognizes revenue on the basis of stage of completion based on the proportion of contract cost incurred, relating to the total cost of the contract at completion. Thus, the recognition of revenue is based on estimates in relation to total estimated costs of each contract and cost incurred. Further both the projects, construction and O & M are considered as one contract as per the accounting policy of the company.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The further explanation why we consider this as a key Audit Matter is as follows:

The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point in time or over time. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

We' performed following substantive procedures over revenue recognition with specific focus on whether there is single performance obligation or multiple performance obligations in the contract and whether the performance obligation is being satisfied over the period of time or at a point in time:

- Read, analyzed and identified the distinct performance obligations in these contracts.
- Compared these performance obligations with that identified and recorded by the Company.
- Considered the terms of the contracts to verify the transaction price used to allocate to separate performance obligations.
- Checked whether the performance obligation is being satisfied over the period of time or at a point in time.
- Performed analytical procedures for reasonableness of revenues disclosed.



Information other than the Ind AS 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 Ind AS financial statements and our auditor's report.

Our opinion on the 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 Ind AS 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 Ind AS Financial Statements

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Statement of Cash Flows 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 Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.
 - 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; and
(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 Company has not declared or paid any final or interim dividend during the year and until the date of this report, therefore, the reporting under clause is not applicable.
- vi. Based on our examination which includes test checks, the company has used an accounting software for maintaining its books of accounts which has the feature of recording audit trail (Edit Log) and the same operates throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail being tempered with.

As proviso to Rule 3(1) of the companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is applicable for the financial year ended March 31,2025.



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	Directions	Auditor's 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 has recognized a gratuity obligation of Rs.0.13 Lakh as at 31 st March 2026, in respect of Contract Employees, based on an independent actuarial valuation using the Projected Unit Credit Method. No corresponding fund or investment has been created or maintained by the Company. Accordingly, there were no quoted or unquoted investments requiring fair valuation under the direction. Since the Post Retirement Benefit funds are maintained and invested by the holding company hence the requirement of the direction dealt by the holding company.
2.	Whether the Company has a 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 Organisations 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.	The company is using SAP S/4 Hana system to process all the accounting transactions and used for preparation for financial accounts. As per information and explanations provided to us no accounting transaction/s has been processed outside the IT system except billing to the client for which no financial implication was observed. As the SAP S/4HANA System is maintained by the Holding Company, matters relating to cyber security assurance are addressed at the level of the Holding Company.
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 utilized 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.	No funds have been received/receivables from any Central/State Government or its agencies for any specific schemes during the financial year 2025-2026.

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 and valued at the level of the Holding Company.
Whether the Company is complying with the Securities 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.	The Company is in compliance with all provisions of the rules and regulations issued by the relevant regulatory authorities, to the extent applicable to it. However, no dividend has been declared, as the Company is currently in the construction phase.

**For SSAG & Associates
Chartered Accountants**

Firm Registration No: 016060N

Sachin
CA Sachin Gupta
(Partner)



Membership No: 097361

UDIN: 26097361SWPOYR6909

Place: New Delhi

Date: 17/07/2027



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 Akloli-Shirsad 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. The Company does not have any intangible assets during the year.
- (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 verifications.
- (c) The Company does not have any immovable properties during the year, hence reporting under clause 3 (i) (c) of the Order is not applicable to the company.
- (d) During the year, no assets have been revalued by the Company, hence reporting under clause 3(i) d of the Order is not applicable to the Company.
- (e) Based on the audit procedures performed, including management representation and review of the information and records made available to us, no proceedings were reported to have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder. Accordingly, no related disclosure was required in the financial statements.
- ii. (a) The Company has no inventories during the reporting year. 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 at any points of time during the year, 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, granted any loan 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 Paragraph 3(iii) (a), (b), (c), (d), (e) and (f) of the order is not applicable to the Company.
- iv. The Company has not granted loan, made investment, and provided guarantee and security to which the provisions of section 185 and 186 of the Companies Act, 2013 are attached. Hence, reporting under Paragraph 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 from the public and therefore, the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provision of the Companies Act, 2013, and rules framed there under, are not applicable. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The Company has maintained proper cost records as required under section 148(1) of the Companies Act, 2013.



- 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 Custom, 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 Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanation given to us, and as per examination of records of the Company, there is no amount payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess, which have not been deposited as on March 31, 2026 on account of any disputes.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year under audit.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
 - (c) The Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
 - (d) The Company has not raised any funds on short-term basis and hence, reporting under clause 3 (ix) (d) of the Order is not applicable.
 - (e) Based on the audit procedures performed, including review of the Company's records, borrowings, management representation and related-party information made available to us, no funds were taken from any entity or person on account of, or to meet, the obligations of any subsidiary, associate or joint venture. Further, the Company did not have any subsidiaries, associates or joint ventures during the year ended 31 March 2026. Accordingly, there were no transactions requiring disclosure of nature or amount under Clause 3(ix)(e).
 - (f) Based on the audit procedures performed, including review of borrowings, security documents, board records, related-party information and management representation made available to us, , no loans were raised during the year on the pledge of securities held in any such entities .Further the Company did not have any subsidiaries, joint ventures or associate companies during the year ended 31 March 2026. Accordingly, there were no transactions requiring disclosure of details or reporting of default in repayment under Clause 3(ix)(f).
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and 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 course of audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed 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 and hence reporting under clause (xii) (a), (b) and (c) 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. According to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit reports of the Company for the period under audit.
- xv. 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. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. 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), (b), (c) and (d) of the Order is not applicable.
- xvii. The Company has incurred cash losses amounting to Rs.2,462.18 Lakhs during the financial year covered by our audit. However, the Company had not incurred any cash losses in the immediately preceding year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(viii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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) Based on the audit procedures performed and the information and explanations made available to us, there are no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects 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. Hence, reporting under clause 3(xx) (a) of the Order is not applicable.

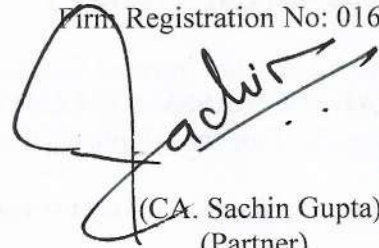


b) In respect of ongoing projects, the Company has transferred the unspent CSR amount as at the Balance Sheet date to a Special account within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the said Act

- xxi. The Company does not have investment in subsidiaries, associates or joint ventures and therefore, company has not prepared consolidated financial statements. Accordingly, reporting under clause 3(xxii) of the order is not applicable.

**For SSAG & Associates
Chartered Accountants**

Firm Registration No: 016060N



(CA. Sachin Gupta)
(Partner)

Membership No: 097361

UDIN: 26097361SWPOYR6909



Place: New Delhi
Date: 17/07/2026



Annexure B” to the Independent Auditors’ Report of even date on the Ind AS Financial Statements of Ircan Akloli-Shirsad Expressway Limited for the year 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 over financial reporting of **IRCON AKLOLI-SHIRSAD EXPRESSWAY LIMITED** (“the Company”) as of March 31, 2026 in conjunction with our audit of the 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing 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 controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, "based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For SSAG & Associates
Chartered Accountants
Firm Registration No: 016060N


(CA Sachin Gupta)
(Partner)



Membership No: 097361
UDIN: 26097361SWPOYR6909

Place: New Delhi
Date: 17/07/2026



S S A G & ASSOCIATES
(formerly known as SANJAY ABHAY & ASSOCIATES)
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IRCON AKLOLI-SHIRSAD EXPRESSWAY LIMITED

Report on the Audit of the IndAS Financial Statements

Opinion

We have audited the Ind AS financial statements of **IRCON AKLOLI-SHIRSAD 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 ended 31st March 2026, and the notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, the profit and loss and total comprehensive income, changes in equity and its cash flows for the year ended 31st March 2026.

Basis for Opinion

We conducted our audit of the Ind AS 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 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules made there under, 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 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 Ind AS Financial Statements of the current financial year. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Revenue Recognition in terms of Ind AS 115 : “ Revenue from contracts with NHAI”

Accounting standard on Revenue, which prescribes five steps revenue recognition model. The company recognizes revenue for a performance obligation satisfied over time after estimating its progress towards complete satisfaction of the performance obligation. The recognition of revenue requires assessments and judgements to be made on changes in work scope, claims (compensation, rebates etc.) and other payments to the extent performance obligation is satisfied.

In the contracts where performance obligation cannot be measured by input method, the output method is applied, which faithfully depict the company's performance towards complete satisfaction of the performance obligation. As such the company recognizes revenue on the basis of stage of completion based on the proportion of contract cost incurred, relating to the total cost of the contract at completion. Thus, the recognition of revenue is based on estimates in relation to total estimated costs of each contract and cost incurred. Further both the projects, construction and O & M are considered as one contract as per the accounting policy of the company.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The further explanation why we consider this as a key Audit Matter is as follows:

The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point in time or over time. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

We' performed following substantive procedures over revenue recognition with specific focus on whether there is single performance obligation or multiple performance obligations in the contract and whether the performance obligation is being satisfied over the period of time or at a point in time:

- Read, analyzed and identified the distinct performance obligations in these contracts.
- Compared these performance obligations with that identified and recorded by the Company.
- Considered the terms of the contracts to verify the transaction price used to allocate to separate performance obligations.
- Checked whether the performance obligation is being satisfied over the period of time or at a point in time.
- Performed analytical procedures for reasonableness of revenues disclosed.



Information other than the Ind AS 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 Ind AS financial statements and our auditor's report.

Our opinion on the 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 Ind AS 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 Ind AS Financial Statements

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

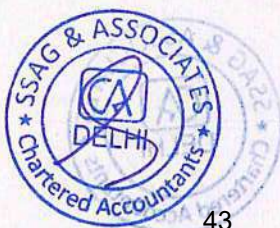
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Statement of Cash Flows 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 Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.
 - 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; and
(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 Company has not declared or paid any final or interim dividend during the year and until the date of this report, therefore, the reporting under clause is not applicable.
- vi. Based on our examination which includes test checks, the company has used an accounting software for maintaining its books of accounts which has the feature of recording audit trail (Edit Log) and the same operates throughout the year for all the relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail being tampered with.

As proviso to Rule 3(1) of the companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2025.



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	Directions	Auditor's 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 gratuity liability for Contract Employees is determined and recognized in the books of accounts based on actuarial valuation and is not separately invested. Since the Post Retirement Benefit funds are maintained and invested by the holding company hence the requirement of the direction dealt by the holding company.
2.	Whether the Company has a 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 Organisations 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.	The company is using SAP S/4 Hana system to process all the accounting transactions and used for preparation for financial accounts. As per information and explanations provided to us no accounting transaction/s has been processed outside the IT system except billing to the client for which no financial implication was observed. As the SAP S/4HANA System is maintained by the Holding Company, matters relating to cyber security assurance are addressed at the level of the Holding Company.
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 utilized 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.	No funds have been received/receivables from any Central/State Government or its agencies for any specific schemes during the financial year 2025-2026.

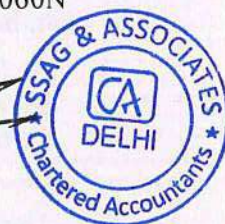


Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) whether the Company has identified its data assets 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 and valued at the level of the Holding Company.
Whether the Company is complying with the Securities 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.	The Company is in compliance with all provisions of the rules and regulations issued by the relevant regulatory authorities, to the extent applicable to it. However, no dividend has been declared, as the Company is currently in the construction phase.

**For SSAG & Associates
Chartered Accountants**

Firm Registration No: 016060N

Sachin
CA. Sachin Gupta)
(Partner)



Membership No: 097361

UDIN: 26097361SGPTIJ2374

Place: New Delhi

Date: 05.05.2026

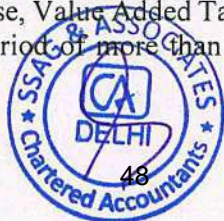


ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' Section of our report to the Members of Iacon Akloli-Shirsad 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:

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment. The Company does not have any intangible assets during the year.
- (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 verifications.
- (c) The Company does not have any immovable properties during the year, hence reporting under clause 3 (i) (c) of the Order is not applicable to the company.
- (d) During the year, no assets have been revalued by the Company, hence reporting under clause 3(i) d of the Order is not applicable to the Company.
- (e) The Company does not have any immovable properties during the year, hence reporting under clause 3(i)(e) of the Order is not applicable to the company.
 - i. (a) The Company has no inventories during the reporting year. 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 at any points of time during the year, hence reporting under clause 3 (ii) (b) of the Order is not applicable.
 - ii. The Company has not made investments in, provided any guarantee or security, granted any loan 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 Paragraph 3(iii) (a), (b), (c), (d), (e) and (f) of the order is not applicable to the Company.
 - iii. The Company has not granted loan, made investment, and provided guarantee and security to which the provisions of section 185 and 186 of the Companies Act, 2013 are attached. Hence, reporting under Paragraph 3(iv) of the order is not applicable to the Company.
 - iv. The Company has not accepted any deposit or amounts which are deemed to be deposits from the public and therefore, the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provision of the Companies Act, 2013, and rules framed there under, are not applicable. Hence, reporting under clause 3(v) of the Order is not applicable.
 - v. The Company has maintained proper cost records as required under section 148(1) of the Companies Act, 2013.
 - vi. 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 Custom, 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 Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.



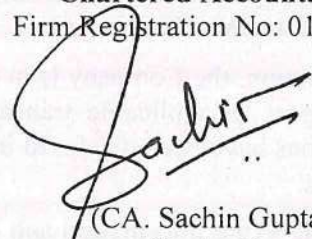
- (b) According to the information and explanation given to us, and as per examination of records of the Company, there is no amount payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess, which have not been deposited as on March 31, 2026 on account of any disputes.
- vii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- viii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year under audit.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) The Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) The Company has not raised any funds on short-term basis and hence, reporting under clause 3 (ix) (d) of the Order is not applicable.
- (e) The Company does not have investment in subsidiaries, associates or joint ventures during the year ended 31 March, 2026 and hence, reporting under clause 3 (ix) (e) of the Order is not applicable.
- (f) The Company does not have investment in subsidiaries, associates or joint ventures during the year ended 31 March, 2026 and hence, reporting on clause 3(ix)(f) of the Order is not applicable.
- ix. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x) (a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- x. (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 course of audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed 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).
- xi. The Company is not a Nidhi Company and hence reporting under clause (xii) (a), (b) and (c) of the Order is not applicable.
- xii. 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.
- xiii. According to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit reports of the Company for the period under audit.



- xiv. 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. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xv. 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), (b), (c) and (d) of the Order is not applicable.
- xvi. The Company has incurred cash losses amounting to Rs.2,462.18 Lakhs during the financial year covered by our audit. However, the Company had not incurred any cash losses in the immediately preceding year.
- xvii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(viii) of the Order is not applicable.
- xviii. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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.
- xix. According to the information and explanations given to us, and based on our audit procedures, the Company has complied with the provisions of section 135(6) of the Companies Act, 2013 in respect of unspent CSR amount relating to ongoing projects by transferring such amount to the Unspent CSR Account within the prescribed time.
- xx. The Company does not have investment in subsidiaries, associates or joint ventures and therefore, company has not prepared consolidated financial statements. Accordingly, reporting under clause 3(xxi) of the order is not applicable.

**For SSAG & Associates
Chartered Accountants**

Firm Registration No: 016060N


(CA. Sachin Gupta)
(Partner)

Membership No: 097361

UDIN: 26097361SGPTIJ2374



Place: New Delhi
Date: 05/05/2026



Annexure B” to the Independent Auditors’ Report of even date on the Ind AS Financial Statements of Iacon Akloli-Shirsad Expressway Limited for the year 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 over financial reporting of **IRCON AKLOLI-SHIRSAD EXPRESSWAY LIMITED** (“the Company”) as of March 31, 2026 in conjunction with our audit of the 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing 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 controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls Over Financial Reporting

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

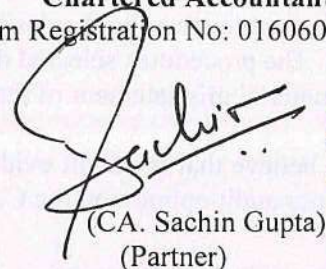
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, "based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For SSAG & Associates
Chartered Accountants
Firm Registration No: 016060N


(CA. Sachin Gupta)
(Partner)

Membership No: 097361
UDIN:26097361SGPTIJ2374



Place: New Delhi
Date: 05/05/2026



Ircon Akloli-Shirsad Expressway Limited

CIN:-U45309DL2021GOI391629

Balance Sheet as at 31st March, 2026

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	Note	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	2A	0.10	0.08
(b) Capital work-in progress		-	-
(c) Investment Property		-	-
(d) Intangible assets		-	-
(e) Intangible assets under development		-	-
(f) Right-of-use assets		-	-
(g) Financial assets	3	-	-
(i) Investments		-	-
(ii) Loans	3.1	0.87	-
(iii) Other financial assets	3.2	66,774.25	37,303.16
(h) Deferred tax assets (net)	4	616.69	0.01
(i) Other non-current assets	5	10,345.72	4,129.43
Total Non-Current Assets		77,737.63	41,432.68
Current Assets			
(a) Inventories		-	-
(b) Financial assets	6	-	-
(i) Investments		-	-
(ii) Trade receivables	6.1	-	599.77
(iii) Cash and cash equivalents	6.2	1,857.21	6,741.13
(iv) Bank balances other than cash and cash equivalents		-	-
(v) Loans	6.3	0.40	-
(vi) Other current financial assets	6.4	2,713.31	1,812.53
(c) Current Tax Assets (Net)	7	232.45	193.38
(d) Other current assets	8	1,172.69	4,030.19
Total Current Assets		5,976.06	13,377.00
TOTAL ASSETS		83,713.69	54,809.68
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	934.00	434.00
(b) Instruments entitling equity in nature	10.1	13,958.00	10,498.00
(c) Other equity	10.2	(517.74)	1,328.31
Total equity		14,374.26	12,260.31
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	11	58,855.22	35,055.22
(ii) Lease liabilities		-	-
(iii) Trade payables		-	-
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than of micro enterprises and small enterprises		-	-
(iv) Other financial liabilities		-	-
(b) Provisions	12	0.13	-
(c) Deferred tax liabilities (Net)		-	-
(d) Other non-current liabilities		-	-
Total Non-Current Liabilities		58,855.35	35,055.22
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13		
(ii) Lease liabilities	13.1	514.78	514.78
(iii) Trade payables	13.2	-	-
- total outstanding dues of micro enterprises and small enterprises		5.25	4.10
- total outstanding dues of creditors other than of micro enterprises and small enterprises		8,784.65	5,291.12
(iv) Other financial liabilities	13.3	108.39	91.41
(b) Other current liabilities	14	1,071.01	1,592.74
(c) Provisions	12	-	-
(d) Current Tax Liabilities (Net)	15	-	-
Total Current Liabilities		10,484.08	7,494.15
TOTAL EQUITY AND LIABILITIES		83,713.69	54,809.68

Summary of Material accounting policies Information
Notes to financial Statements

1
1 to 43

As per our report of even date attached
For SSAG & Associates
Chartered Accountants
ICAI Firm Registration No.: 0496660H

Sachin Gupta
Partner
ICAI Membership No.: 097361



Place : New Delhi
Date : 05.05.2026

For and on behalf of the Board of Directors
Ircon Akloli-Shirsad Expressway Limited

Masood Ahmad
(Director)
(DIN:-09008553)

Sanjay Bisariya
(Director)
(DIN:-11291128)

Amit Adkane
(Chief Executive Officer)



Ircon Akloli-Shirsad Expressway Limited

CIN:-U45309DL2021GOI391629

Statement of profit and loss for the year ended 31st March, 2026

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	Note	For the year ended 31st March, 2026	For the year ended 31st March 2025
Income			
Revenue from operations	16	41,460.59	41,499.34
Other income	17	61.53	361.60
Total Income (A)		41,522.12	41,860.94
Expenses			
Project Expenses	18	40,168.36	39,023.41
Employee benefits expenses	19	38.16	52.93
Finance costs	20	3,656.01	1,887.33
Depreciation, amortisation and impairment	21	0.06	0.13
Other expenses	22	121.77	84.92
Total expenses (B)		43,984.36	41,048.72
Profit/(Loss) before tax (A-B)		(2,462.24)	812.22
Tax expense	4		
Current tax		-	204.43
Tax adjustment of earlier years		-	0.01
Deferred tax (net)		(616.69)	(0.01)
Total tax expense		(616.69)	204.43
Profit/(Loss) for the year		(1,845.55)	607.79
Other comprehensive income/(loss)			
A) Items that will not be reclassified to profit or loss		-	-
Income tax relating to Items that will not be reclassified to profit or loss		-	-
B) Items that will be reclassified to profit or loss		-	-
Income tax relating to Items that will be reclassified to profit or loss		-	-
Other comprehensive income/(loss) for the year (net of tax)		-	-
Total Comprehensive income/(loss) for the year		(1,845.55)	607.79
Earnings per equity share (Face Value Per Equity Share Rs. 10)	27		
Basic (In Rs.)		(22.92)	14.00
Diluted (In Rs.)		(22.92)	14.00

Summary of Material accounting policies information

1

Notes to financial Statements

1 to 43

As per our report of even date attached

For SSAG & Associates

Chartered Accountants

ICAI Firm Registration No.: 0106060N

Sachin Gupta
Partner

ICAI Membership No.: 097361



Place : New Delhi

Date : 05.05.2026

For and on behalf of the Board of Directors

Ircon Akloli-Shirsad Expressway Limited

Masood Ahmad
(Director)
(DIN:-09008553)

Sanjay Bisariya
(Director)
(DIN:-11291128)



Amit Adkane
(Chief Executive Officer)

Ircon Akloli-Shirsad Expressway Limited
CIN:-U45309DL2021GOI391629
Statement of Cash Flows for the year ended 31st March, 2026
(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars		For the year ended 31st March, 2026	For the year ended 31st March 2025
Cash flow from operating activities			
Profit before tax		(2,462.24)	812.22
Adjustments for:			
Depreciation expense		0.06	0.13
Interest Income		(23.16)	(35.23)
Interest Expenses		3,656.01	1,887.33
		1,170.67	2,664.45
Operating profit before working capital changes			
Movements in working capital:			
Increase/(decrease) in other current liability		(521.73)	1,128.16
Increase/(decrease) in Trade Payables and other current financial liabilities		3,506.85	(1,400.40)
Increase/(decrease) in other non-current financial liabilities		-	-
Increase/(decrease) in other current liability		-	-
Increase/(decrease) in non-current provisions		0.13	-
Increase/(decrease) in current provisions		-	-
Decrease/(increase) in trade receivables		-	-
Decrease/(increase) in inventories		-	-
Decrease/(increase) in non current & current loans		(1.26)	-
Decrease/(increase) in Trade Receivables and current & non current financial assets		(29,771.74)	(21,146.49)
Decrease/(increase) in other current and non-current assets		(3,358.79)	(886.30)
Increase/(decrease) in other current tax Assets/liabilities		-	-
		(30,146.54)	(22,305.03)
Cash generated from Operation		(28,975.87)	(19,640.58)
Income Tax (paid)/refunded		(39.06)	(217.03)
Net cash flow from/(used in) operating activities	(A)	(29,014.93)	(19,857.61)
Cash flows from investing activities			
Purchase of Property, plant and equipment		(0.08)	-
Interest Income		22.80	34.44
Net cash flow from/(used in) investing activities	(B)	22.72	34.44
Cash flow from financing activities			
Proceeds from fresh issue of share capital		500.00	-
Proceeds from share application money pending allotment		-	-
Proceeds from non current borrowings		23,800.00	20,000.00
Proceeds from Receipt of Quasi Equity		3,460.00	5,344.00
Share issue expenses		(0.50)	-
Interest paid		(3,651.20)	(1,882.76)
Net cash flow from/(used in) in financing activities	(C)	24,108.30	23,461.24
Net increase/(decrease) in cash and cash equivalents	(A + B + C)	(4,883.91)	3,638.07
Cash and cash equivalents at the beginning of the year		6,741.13	3,103.06
Cash and cash equivalents at the end of the year		1,857.22	6,741.13

Notes:

1. The Statement of Cash flows has been prepared under the Indirect method set out in Ind AS-7 'Statement of Cash Flow' notified under the Companies (Indian Accounting Standards) Rules, 2015.

2. Reconciliation of Cash and Cash Equivalents and Components of Cash and Cash Equivalents included in the above Statement of Cash Flows:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Components of cash and cash equivalents		
- Cash on hand	-	-
- With banks in current account	-	-
- With banks in escrow account	22.21	5,471.13
- Deposits with original maturity of less than 3 months	1,835.00	1,270.00
Total cash and cash equivalents as per Balance Sheet (Refer Note 6.2) and Statement of Cash Flows	1,857.21	6,741.13

4. Reconciliation of Liabilities arising from financing activities as on 31.03.2026 and 31.03.2025

Particulars	Loan From BOB	Interest on Loan from BOB
Opening balances	35,570.00	8.03
Cash flows:		
- Repayments	-	(3,651.21)
- Proceeds	23,800.00	-
- Interest expense	-	3,656.01
Closing balances	59,370.00	12.83

Particulars	Loan From BOB	Interest on Loan from BOB
Opening balances	15,570.00	3.46
Cash flows:		
- Repayments	-	(1,882.76)
- Proceeds	20,000.00	-
- Interest expense	-	1,887.33
Closing balances	35,570.00	8.03

Notes to financial Statements
 As per our report of even date attached
 For SSA& Associates
 Chartered Accountants
 ICAI Firm Registration No.: 0106060H
 Sachin Gupta
 Partner
 ICAI Membership No.: 097361

Place: New Delhi
 Date: 05.05.2026



For and on behalf of the Board of Directors
 Ircon Akloli-Shirsad Expressway Limited
 Masood Ahmad
 (Director)
 (DIN:-09008550)

Amit Adkane
 (Chief Executive Officer)

Sanjay Bisariya
 (Director)
 (DIN:-11291128)



Iron Akloli-Shirsad Expressway Limited

CIN:-U45309DL2021GOI391629

Statement of changes in equity for the year ended 31st March, 2026

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(a) Equity Share Capital

Particulars	Amount
Balance as at 01st April, 2024	434.00
Changes in equity share capital during the year	-
Balance as at 31st March 2025	434.00
Balance as at 01st April 2025	434.00
Changes in equity share capital during the year	500.00
Balance as at 31st March 2026	934.00

(b) Instruments entirely equity in nature

Particulars	Amount
Balance as at 01st April, 2024	5,154.00
Changes in Instruments during the year	5,344.00
Balance as at 31st March 2025	10,498.00
Balance as at 01st April 2025	10,498.00
Changes in Instruments during the year	3,460.00
Balance as at 31st March 2026	13,958.00

(c) Other Equity

Particulars	Share Application money pending allotment	Reserves & Surplus	Other Comprehensive Income	Total
		Retained Earnings		
Balance as at 01st April, 2024	-	720.52	-	720.52
Profit for the year	-	607.79	-	607.79
Payment for increase in authorised share capital	-	-	-	-
Other Comprehensive income for the year	-	-	-	-
Total Comprehensive Income for the period	-	607.79	-	607.79
Addition of Share application money	-	-	-	-
Balance as at 31st March 2025	-	1,328.31	-	1,328.31
Balance as at 01st April 2025	-	1,328.31	-	1,328.31
Profit for the year	-	(1,845.55)	-	(1,845.55)
Payment for increase in authorised share capital	-	(0.50)	-	(0.50)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	(1,846.05)	-	(1,846.05)
Addition of Share application money	-	-	-	-
Balance as at 31st March 2026	-	(517.74)	-	(517.74)

Summary of Material accounting policies information

Notes to financial Statements

1 to 43

As per our report of even date attached

For SSAG & Associates
Chartered Accountants
ICAI Firm Registration No. :-0106060N

Sachin Gupta
Partner
ICAI Membership No.: 097361



Place : New Delhi
Date :05.05.2026

For and on behalf of the Board of Directors
Iron Akloli-Shirsad Expressway Limited

Masood Ahmad
(Director)
(DIN:-09008553)

Sanjay Bisariya
(Director)
(DIN:-11291128)



Amit Adkane
(Chief Executive Officer)

Ircon Akloli-Shirsad Expressway Limited
Notes to financial statements for the year ended March 31, 2026

1. Corporate Information

Ircon Akloli-Shirsad Expressway Limited (the "Company") is domiciled and incorporated in India and is a wholly owned subsidiary of Ircon International Limited (IRCON), public sector construction company domiciled in India. The Company (CIN U45309DL2021GOI391629) is incorporated under the provisions of the Companies Act, 2013 applicable in India.

The Company came into existence when IRCON was awarded the work of "Construction of Eight lane access controlled expressway from Km 3.000 to Km 20.200 (Shirsad to Akloli Section- SPUR of Vadodara Mumbai Expressway) in the State of Maharashtra on Hybrid Annuity Mode under Bharatmala Pariyojna (Phase- II – Package-XIV). In pursuant to the provisions of "Request for Proposal", the selected bidder 'IRCON' has formed a Special Purpose Vehicle (SPV) named Ircon Akloli-Shirsad Expressway Limited as wholly owned subsidiary of IRCON, incorporated on 23.12.2021. Accordingly, the Company has signed the Concession Agreement with NHAI on 27th Jan, 2022 for the project value amounting to Rs 1124 Crore. The Concession period is 15 years from Commercial Operation Date (COD) and Construction period is 548 days from Appointed Date. The registered office of the company is located at C-4, District Centre, Saket, New Delhi- 110017.

The presentation and functional currency of the company is Indian Rupees (INR). Figures in financial statements are presented in lakhs, by rounding off upto two decimals except for per share data and as otherwise stated.

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

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 Akloli-Shirsad 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).



Ircon Akloli-Shirsad Expressway Limited
Notes to financial statements for the year ended March 31, 2026

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.

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



Ircon Akloli-Shirsad Expressway Limited
Notes to financial statements for the year ended March 31, 2026

of security for Company's remaining performance as specified under the contract, which is consistent with the industry practice.

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.

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.



Ircon Akloli-Shirsad Expressway Limited
Notes to financial statements for the year ended March 31, 2026

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.

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

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.

Post-employment benefits & other Long Term Employee Benefits

The employees of the Company are on deputation from Ircon International Limited, Holding Company. The post employee benefits & other long term employee benefits includes gratuity, provident fund, post-retirement medical facility, pension, leave encashment and leave travel concession.

As per arrangement with the Ircon International Limited, Holding Company, the cost in relation to post employee & other long term Employee Benefits will be reimbursed to the holding Company on the basis of fixed contribution based on basic pay and dearness allowance for the period of services rendered in the Company.

The company's liability with respect to the long term employee benefit for employees on deputation from holding company is limited to the extent of fixed contribution to be paid to the holding company. Actual settlement of the long term employee liability will be the responsibility of holding company.

Liability for contractual employees in respect of gratuity is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at each reporting date and the calculation is performed by an independent actuary using the projected unit credit method.

Re-measurement, comprising actuarial gains and losses, is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to statement of profit and loss.



Ircon Akloli-Shirsad Expressway Limited
Notes to financial statements for the year ended March 31, 2026

2.2.8. 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.

2.2.9. 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.

Contingent assets

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

2.2.10. 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.

2.2.11. 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



Ircon Akloli-Shirsad Expressway Limited
Notes to financial statements for the year ended March 31, 2026

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.

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



Ircon Akloli-Shirsad Expressway Limited
Notes to financial statements for the year ended March 31, 2026

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.

2.2.12. 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.

2.2.13. 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.

2.2.14. 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.

2.2.15. 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:



Ircon Akloli-Shirsad Expressway Limited
Notes to financial statements for the year ended March 31, 2026

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.

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.



Ircon Akloli-Shirsad Expressway Limited
Notes to financial statements for the year ended March 31, 2026

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.



Ircon Akloli-Shirsad Expressway Limited
CIN:-U45309DL2021GOI391629
Notes forming part of the Financial Statements
(All amounts in Indian Rupees Lakhs unless otherwise stated)

2A Property, Plant and Equipment

Particulars	Furniture & Fixtures	Computers	Total
Gross Carrying Amount (At Cost)			
As at 1st April 2024	-	0.41	0.41
Additions	-	-	-
Disposals/Adjustments	-	-	-
As at 31st March 2025	-	0.41	0.41
As at 1st April 2025	-	0.41	0.41
Additions	0.08	-	0.08
Disposals/Adjustments	-	-	-
As at 31st March 2026	0.08	0.41	0.49
Depreciation and impairment			
As at 1st April 2024	-	0.20	0.20
Depreciation charge for the year	-	0.13	0.13
Impairment	-	-	-
Disposals/Adjustments	-	-	-
As at 31st March 2025	-	0.33	0.33
As at 1st April 2025	-	0.33	0.33
Depreciation charge for the period	-	0.06	0.06
Impairment	-	-	-
Disposals/Adjustments	-	-	-
As at 31st March 2026	-	0.39	0.39
Net book value			
As at 31st March 2026	0.08	0.02	0.10
As at 31st March 2025	-	0.08	0.08

Note:

- (i) Depreciation is provided based on useful life of assets which is in line with the useful life prescribed in schedule II of the Companies Act, 2013 and disclosed as under:

Asset Class	Useful life as per Schedule II (in years)	Useful life adopted (in years)
Furniture & Fixtures	10	10
Computer	3-6	3

- (ii) There is no class of assets where the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013.

3 Other Non-Current Financial Assets

3.1 Other Non-Current Financial Assets- Loans

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Unsecured and considered good)		
Staff Loans and Advances		
- Loan to related parties-KMP (refer note below)	0.87	-
	0.87	-

Note: Loan and advances in the nature of Loans granted to the related parties:

Type of Borrower	As at 31st March, 2026		As at 31st March, 2025	
	Amount of Loan or advance in the nature of loan outstanding*	% of total loans and advances in the nature of loans**	Amount of Loan or advance in the nature of loan outstanding*	% of total loans and advances in the nature of loans**
Loan to KMPs	0.87	100%	-	-
Total	0.87	100%	-	-

* Represents loan or advance in the nature of loan.

** Represents percentage to the total loans or advances in the nature of loans.

3.2 Other Non-Current Financial Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Considered good unless otherwise stated)		
Contract Assets:		
Contract Assets under SCA	66,774.02	37,303.16
Interest accrued but not due	0.23	-
- Loan & advance to KMP		
	66,774.25	37,303.16

4 Deferred Tax Assets (Net) and Tax expense

A) The major components of income tax expense for the period ended 31st March 2026 and year ended 31st March 2025 are:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Current income tax		
Current income tax charge	-	-
Tax adjustment of earlier years	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	(616.69)	(616.69)
Income tax expense reported in the statement of Profit and Loss Section	(616.69)	204.43



B) The reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2026 and 31st March 2025:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
1. Accounting Profit/(Loss) before tax	(2,462.24)	812.22
2. Corporate tax rate as per Income tax Act, 1961	25.168%	25.168%
3. Tax on accounting profit	-	204.42
4. Adjustments for tax purposes		
A. Non-deductible expenses for tax purposes		
(a) Non deductible expenses	-	-
B. Deductible expenses for tax purposes		
(a) Provision for employee benefits (Gratuity)	-	-
(b) Depreciation and amortisation differences & Preliminary expenses Impact	-	0.01
C. Tax adjustment relating to earlier years	-	0.01
D. Deferred tax expense/(income)	(616.69)	(0.01)
Total effect of tax adjustments	(616.69)	0.01
5. Income tax expense reported in the statement of profit and loss (3+4)	(616.69)	204.43
6. Effective tax rate 6 = 5/1	25.05%	25.17%

C) Component of deferred tax assets and (liabilities) in Balance Sheet and Statement of Profit and Loss

Particulars	Balance Sheet		Statements of Profit and Loss	
	As at 31st March, 2026	As at 31st March, 2025	For the year ended 31st March, 2026	For the year ended 31st March 2025
Pre-incorporation expense	-	0.01	0.01	0.02
Carry forward losses	616.65	-	(616.65)	-
Provision for Gratuity	0.03	-	(0.03)	-
Difference between Book depreciation and Tax depreciation	0.01	-	(0.01)	(0.01)
Net deferred tax Assets/(Liabilities)	616.69	0.01	(616.69)	0.01

D) Deferred tax Assets/(Liabilities) reflected in Balance Sheet:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Deferred tax assets	616.69	0.01
Deferred tax liabilities	-	-
Deferred Tax Asset/(Liabilities) (Net)	616.69	0.01

E) Reconciliation of deferred tax Assets/(Liabilities):

Particulars	Balance As at 1st April 2025 (Net)	Recognised in Statement of Profit and Loss	Recognised in OCI	Balance As at 31st March, 2026 (Net)
Pre-incorporation expense	0.01	(0.01)	-	-
Carry forward losses	-	616.65	-	616.65
Provision for Gratuity	-	0.03	-	0.03
Difference between Book depreciation and Tax depreciation	-	0.01	-	0.01
Net deferred tax Assets/(Liabilities)	0.01	616.69	-	616.69

Particulars	Balance As at 1st April 2024 (Net)	Recognised in Statement of Profit and Loss	Recognised in OCI	Balance As at 31st March, 2025 (Net)
Pre-incorporation expense	0.03	(0.02)	-	0.01
Carry forward losses	-	-	-	-
Provision for Gratuity	-	-	-	-
Difference between Book depreciation and Tax depreciation	(0.01)	0.01	-	-
Net deferred tax Assets/(Liabilities)	0.02	(0.01)	-	0.01



5 Other Non-Current Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
Others		
- Balance with Government Authorities (GST Input)	10,345.72	4,129.43
Total	10,345.72	4,129.43

6 Current Assets - Financial Assets

6.1 Current Financial Assets - Trade Receivables

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured, considered good	-	-
Unsecured, considered good	-	599.77
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
Impairment Allowance (allowance for bad and doubtful debts):		
Unsecured, considered good	-	-
Trade Receivables which have significant increase in credit Risk	-	-
Trade Receivables - credit impaired	-	-
Total	-	599.77

Foot Note:

1 Trade Receivable Ageing Schedule for the year ended as at 31st March 2026 and 31st March 2025

For the year ended 31st March 2026

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31st, 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	
Undisputed Trade receivables – considered good	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Impairment Allowance	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-

For the year ended 31st March 2025

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31st, 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	
Undisputed Trade receivables – considered good	-	-	599.77	-	-	-	-	599.77
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Impairment Allowance	-	-	599.77	-	-	-	-	599.77
Total	-	-	599.77	-	-	-	-	599.77

6.2 Current Financial Assets - Cash and cash equivalents

Particulars	As at 31st March, 2026	As at 31st March, 2025
Balances with banks:		
- On current accounts (refer note (i) below)	22.21	5,471.13
- On escrow accounts (refer note (i) below)	1,835.00	1,270.00
- Deposits with original maturity of less than 3 months (refer note (i) below)	-	-
Total	1,857.21	6,741.13



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Note:

(i) Rs. 22.21 lakhs held in escrow account & Rs. 1835 Lakhs held in fixed deposits (31st March 2025: Rs. 5471.13 lakhs held in escrow account & Rs. 1270 Lakhs held in fixed deposits) which are earmarked fund as per concession agreement entered with NHAI. Short-term deposits are made for varying periods of between seven days and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

6.3 Current Assets - Loans

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Unsecured and considered good)		
Others:		
Staff Loans & Advances		
- Loan to related parties-KMP (refer note below)	0.40	-
- Others	-	-
Total	0.40	-

Note: Loan and advances in the nature of Loans granted to the related parties:

Type of Borrower	As at 31st March, 2026		As at 31st March, 2025	
	Amount of Loan or advance in the nature of loan outstanding*	% of total loans and advances in the nature of loans**	Amount of Loan or advance in the nature of loan outstanding*	% of total loans and advances in the nature of loans**
Loan to KMPs	0.40	100%	-	-
Total	0.40	100%	-	-

6.4 Current Assets - Other Financial Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Unsecured and considered good)		
Contract Assets:		
Contract Assets under SCA	1,630.13	1,614.51
Money Withheld by Client	1,082.04	197.24
Interest Accrued on Deposits with Bank	1.14	0.78
Interest accrued but not due on advances	-	-
Total	2,713.31	1,812.53

7 Current Assets - Current Tax Assets (Net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Taxes Paid including TDS & Advance Tax (Net of Provision for Tax)	232.45	193.38
Total	232.45	193.38

8 Other Current Assets

Particulars	As at 31st March, 2026	As at 31st March, 2025
(Considered good unless otherwise stated)		
Advances Other than Capital Advances	-	-
Advances to Related Parties - Ircon International Limited (Holding Company)	-	1,439.24
- Advances to Contractor, Suppliers and others	-	-
Others:		
- Balance with Government Authorities (GST Input)	1,123.36	2,262.70
- Prepaid Expenses	49.33	54.42
- Interest accrued on advance to Related Parties	-	273.83
Total	1,172.69	4,030.19



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Notes forming part of the Financial Statements

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9 Equity Share Capital

Particulars	As at 31st March, 2026	As at 31st March, 2025
Authorised Share Capital 1,75,00,000 equity shares of Rs.10/- each (1,75,00,000 equity shares of Rs.10/- each as at 31st March 2025)	1,750.00	1,750.00
Issued, subscribed and fully paid-up shares 93,40,000 equity shares of Rs.10/- each (43,40,000 equity shares of Rs.10/- each as at 31st March 2025)	934.00	434.00
Total issued, subscribed and fully paid-up share capital	934.00	434.00

(a) Details of Promoter's shareholding

Particulars	Shares held by Promoter as at 31st March, 2026			% change during the year
	Promoter Name	No. of shares	% of total shares	
As at 31st March, 2026	Iron International Limited	93,40,000	100%	-
Outstanding at the end of the year		93,40,000	100%	-

Particulars	Shares held by Promoter as at 31st March, 2025			% change during the year
	Promoter Name	No. of shares	% of total shares	
As at 31st March, 2025	Iron International Limited	43,40,000	100%	-
Outstanding at the end of the year		43,40,000	100%	-

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

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
At the beginning of the year / (period)	43,40,000	434.00	43,40,000	434.00
Issued during the year / (period)	50,00,000	500.00	-	-
Outstanding at the end of the year / (period)	93,40,000	934.00	43,40,000	434.00

(c) Terms/ rights attached to equity shares

(i) Voting

The Company has only one class of equity shares having a par value of 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) The Company has allotted 50,00,000 Equity Shares as on 04th July, 2025 at a price of Rs. 10 per Equity Share (at a premium of Rs. Nil per Equity Share) by way of a Right issue after approval from the Board of Directors at Board Meeting held on 04th July, 2025.

(e) Details of shareholders holding more than 5% shares in the Company:

Particulars	As at 31st March, 2026	
	No. of Shares	% holding in the class
Equity Shares of Rs. 10 each fully paid Iron International Limited and its nominees	93,40,000	100%

Particulars	As at 31st March, 2025	
	No. of Shares	% holding in the class
Equity Shares of Rs. 10 each fully paid Iron International Limited and its nominees	43,40,000	100%

(f) For the period of preceeding five years as on the Balance sheet date:

(i) Shares bought back: Nil

(ii) Shares allotted as fully paid up by way of bonus shares: Nil

(iii) Shares issued for consideration other than cash: Nil

(g) Holding Company "M/s Iron International Limited" is public sector construction company, holding 100% Equity Share of the company:

10.1 Instruments entirely equity in nature*

Particulars	As at 31st March, 2026	As at 31st March, 2025
Instruments entirely equity in nature i.e. Quasi Equity	13,958.00	10,498.00
Total	13,958.00	10,498.00



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Movement as per below:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	10,498.00	5,154.00
Add: Receipt of Quasi Equity	3,460.00	5,344.00
Closing Balance	13,958.00	10,498.00

* Quasi Equity (Interest free Loan From Ircon)

i) Nature and Purpose:**Quasi Equity**

Quasi Equity represents equity contribution from the Holding Company in form of Interest free loan. The Company does not have any repayment obligation and are defined as "Equity" in the concession agreement with NHAI. Accordingly, these are considered to be in the nature of equity instruments.

10.2 Other Equity

Particulars	As at 31st March, 2026	As at 31st March, 2025
Retained Earnings	(517.74)	1,328.31
Share application money pending allotment	-	-
Total	(517.74)	1,328.31

i) Movement as per below:**Retained Earnings**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Balance	1,328.31	720.52
Transfer from surplus in statement of profit and loss	(1,845.55)	607.79
Share Issue expenses	(0.50)	-
Closing Balance	(517.74)	1,328.31

ii) Nature and Purpose:**Retained Earnings**

Retained Earnings represents the undistributed profits of the Company.

Non-Current Liabilities - Financial Liabilities**11 Borrowings**

Particulars	As at 31st March, 2026	As at 31st March, 2025
Loan From Banks:		
Secured:		
Loan From Bank of Baroda	59,370.00	35,570.00
Less: Current Maturities of Long term Borrowings (Refer note no 13.1)	(514.78)	(514.78)
Total	58,855.22	35,055.22

Note:

The Company has entered into a term loan agreement during the financial year 2022-23 with Bank of Baroda to finance the project for an amount of Rs. 68,637.00 Lakhs. During the financial year 2025-26, Bank has disbursed Rs. 23800 Lakhs (31st March 2025: Rs. 20000 Lakhs). The terms and conditions and detail of security are as under:

1) Details of Terms and Conditions:

- Interest rate to be charged on loan shall be Overnight MCLR without Strategic Premium +0.09% with monthly rest. Presently, applicable interest rate is 7.89% p.a.
- Moratorium of 6 months from the date of PCOD/COD.
- Term Loan shall be repayable in 26 structured semi-annual instalments commencing after 6 months end (moratorium) in which COD/ PCOD is achieved.
- Interest shall be paid as and when debited. MCLR/Spread shall be subject to reset as and when it changes.
- Corporate Guarantee of the Promoter i.e. Ircon International Limited (AAA Rated) shall be available till the receipt of 1st annuity from NHAI or COD + 180 days, whichever is later.

2) Details of Security:

The facility together with all interest, fees, commission and other monies whatsoever stipulated and due to the lender shall be secured, to the extent permitted under the Concession Agreement by:

- A first mortgage and charge on all the Borrower's immovable properties (if any), both present and future, save and except 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 and all other movable assets, both present and future, save and except the Project Assets;
- A first charge over all accounts of the Borrower including the Escrow Account and Sub-accounts (or any account in substitution thereof) that may be opened in accordance with the Concession Agreement, Facility Agreement, Escrow Agreement and the Supplementary Escrow Agreement or any of the other Project Documents and all funds from time to time deposited therein, the Receivables and or other securities, provided that the same being applied to the extent of waterfall of priority of payments as specified in the Concession Agreement and the Escrow Agreement and not beyond that; and all the charge over the Receivables shall be enforceable by the Senior Lenders for the purpose of ensuring that the Receivables are credited to the Escrow Account for the purpose of being applied to the extent of waterfall of priority of payments as specified in the Concession Agreement and the Escrow Agreement and not beyond that.
- A first charge over all intangible assets of the Borrower including but not limited to goodwill, rights, undertakings, and uncalled capital present and future excluding the Project Assets (Provided that all the amount received on account of any of these shall be deposited in the Escrow Account and the charges on the same shall be subject to the extent permissible as per priority specified in the Concession Agreement and the Escrow Agreement). Further, a charge on the uncalled capital, as set in above, shall be subject however to the provisions of Concession Agreement.
- A first charge or assignment by way of Security in:
 - all the right, title, interests, benefits, claims and demands whatsoever of the Borrower in, to and under the Project Documents;
 - the right, title, interests, benefits, claims and demands whatsoever of the Borrower in, to and under all the Approvals;
 - all the right, title, interests, benefits, claims and demands whatsoever of the Borrower in, to and under any letter of credit, guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents; and
 - all the right, title, interests, benefits, claims and demands whatsoever of the Borrower in, to and under all the Insurance Contracts;
- DSRA: DSRA for to 3 month's interest and one principal instalment.

The entire Security (including execution of Escrow and Substitution agreement) shall be created upfront prior to the disbursement and perfected prior to disbursement.

3) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.



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12 Provisions

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for - Provision for Employee Benefits	0.13	-
Total	0.13	-
Current	-	-
Non Current	0.13	-

Note: Provision for Employee Benefits :

- a. The provisions are created for the purpose of Gratuity of contractual employees.
b. Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 24.
c. Movement in the carrying value of provisions for employee benefits are provided as below:

Particulars	Provision for Gratuity
As at 31st March, 2025	-
Current	-
Non Current	-
Provision made during the year	0.13
Less: Utilisation during the year	-
Less: Writtenback during the year	-
As at 31st March, 2026	0.13
Current	-
Non Current	0.13

13 Current Liabilities - Financial Liabilities
13.1 Current Liabilities - Borrowings

Particulars	As at 31st March, 2026	As at 31st March, 2025
Secured		
Term loan from Bank (Refer note no 11)		
- Current maturities of long term borrowings*	514.78	514.78
Total	514.78	514.78

* For detailed terms and condition refer to note no 11.1

13.2 Current Liabilities - Trade Payables

Particulars	As at 31st March, 2026	As at 31st March, 2025
(A) Micro, Small & Medium Enterprises	5.25	4.10
(B) Other than Micro, Small & Medium Enterprises		
(i) Contractor, Suppliers and Consultants	-	-
(ii) Related Parties	8,784.65	5,291.12
Total	8,789.90	5,295.22

Foot Notes:

- a) Disclosures as required under Companies Act, 2013 / Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) are provided in Note 37.
b) Terms and Conditions and other balances with related parties are disclosed in Note 26.
c) Trade payables Ageing Schedule for the year ended as at 31st March 2026 and 31st March 2025.

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31st, 2026 from the due date of payment				Total
			Less than 1 year	1-2 year	2-3 year	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	5.25	-	-	-	-	-	5.25
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	8,784.65	-	-	-	8,784.65
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	5.25	-	8,784.65	-	-	-	8,789.90

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31st, 2025 from the due date of payment				Total
			Less than 1 year	1-2 year	2-3 year	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	4.10	-	-	-	4.10
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	5,291.12	-	-	-	5,291.12
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
	-	-	5,295.22	-	-	-	5,295.22



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13.3 Current Liabilities - Other Financial Liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
Unsecured		
Payable to Holding Company	73.81	63.49
Amount Payable to Client	21.75	19.83
Interest accrued on secured borrowings	12.83	8.03
Other payable (including staff payable)	-	0.06
Total	108.39	91.41

14 Other Current Liabilities

Particulars	As at 31st March, 2026	As at 31st March, 2025
Contract Liabilities		
- Advance from client	589.26	1,293.04
Others		
- Statutory Dues	469.76	299.70
- Unspent CSR	11.99	-
Total	1,071.01	1,592.74

15 Current liabilities - Current tax liabilities (net)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Provision for tax (Net of Advance Tax & TDS)	-	-
Total	-	-

Note:

Refer Note 7 for Current tax assets (net) of FY 2025-26.

16 Revenue from operations

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Revenue from operation		
Contract revenue	41,460.59	41,499.34
Total	41,460.59	41,499.34

17 Other Income

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Interest Income from		
- Advance to Holding Company i.e. Ircon International Limited	25.85	319.01
- Staff advance- KMP	0.11	-
- Fixed Deposit	23.16	35.23
- Income tax refund	12.41	7.36
Total	61.53	361.60

18 Project Expenses

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Work expenses	40,082.63	38,872.51
Independent Engineer Inspection Charges	85.73	150.90
Total	40,168.36	39,023.41



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19 Employee benefits expenses

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Salaries, Wages and Bonus	31.41	32.65
Contribution to Provident and Other Funds	2.17	2.30
Retirement Benefits	4.45	17.98
Provision for Gratuity Contractual employees	0.13	-
Staff Welfare	-	-
Total	38.16	52.93

Note: Disclosures as per Ind AS 19 - 'Employee Benefits' in respect of provision made towards various employee benefits are provided in Note 24.

20 Finance costs

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Interest cost on financial liabilities measured at amortized cost		
- Interest Expense on Term Loan	3,656.01	1,887.33
Interest on Income Tax and other statutory dues	-	-
Other borrowing costs		
- Bank Guarantee & Other Charges	-	-
Total	3,656.01	1,887.33

21 Depreciation, amortisation and impairment

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Depreciation on Property, Plant and Equipment	0.06	0.13
Total	0.06	0.13

22 Other Expenses

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Payment to the Auditors (Refer Note (i) below)	1.44	1.22
Legal & Professional charges	16.59	16.48
Communication, Postage and Courier Charges	0.12	-
Printing & Stationery expenses	0.19	0.12
Rent	3.64	3.31
Bank Charges	0.04	0.03
Travelling Expenses	0.45	0.64
Insurance	86.11	55.70
Vehicle operation and maintenance	-	0.22
Repairs and Maintenance office	0.12	-
Rates and Taxes	-	0.01
Business Promotion	-	-
Corporate Social Responsibility (Refer note no 38)	11.99	6.57
Misc Expenses	1.08	0.62
Total	121.77	84.92

(i) Payment to the Auditors

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Payment to the auditor's for		
As auditor:		
- Statutory Audit Fee	0.75	0.71
- Tax Audit Fee	0.23	0.21
- Limited Review Fee	0.46	0.30
In other capacity:		
- Other Services	-	-
- Reimbursement of expenses	-	-
Total	1.44	1.22



23 Disclosure as per Ind AS 1 'Presentation of financial Statements'

Changes in accounting policies and disclosures

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

(i) 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.

(ii) 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.

iii. 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.

iv. 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.

24 Employee benefits

Disclosure as per Ind AS 19 on Employee benefits

(i) Employees on nomination/secondment basis

- The employees in Ircon Akkoli-Shirsad Expressway Limited are posted on nomination/ secondment basis from Ircon International Limited (Holding Company).
- 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 19).
- 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 statementst as on March 31, 2026:

i) Changes in the present value of the defined benefit obligation are as under :

(Rs. in Lakhs)

Particulars	Gratuity	
	As at 31st March, 2026	As at 31st March, 2025
Defined benefit obligation at the beginning of the period	-	-
Current service cost	0.13	-
Past service cost including curtailment Gains/Losses	-	-
Interest cost	-	-
Benefits paid	-	-
Actuarial loss / (gain) on obligations	-	-
Defined benefit obligation at the end of the period	0.13	-



ii) Changes in fair value of plan assets

(Rs. in Lakhs)

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 Lakhs)

Particulars	Gratuity	
	As at 31st March, 2026	As at 31st March, 2025
Fair value of plan assets	-	-
Defined benefit obligation	0.13	-
Amount recognised in the Balance Sheet	(0.13)	-

iv) Amount recognised in Statement of profit and loss

(Rs. in Lakhs)

Particulars	Gratuity	
	For the year ended 31st March 2026	For the year ended 31st March 2025
Current service cost	0.13	-
Past service cost	-	-
Net interest expense	-	-
Amount recognised in statement of Profit and Loss	0.13	-

v) Amount recognised in Other Comprehensive Income:

(Rs. in Lakhs)

Particulars	Gratuity	
	For the year ended 31st March 2026	For the year ended 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 Lakhs)

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:

Particulars	Gratuity For the year ended 31st March, 2026	Gratuity For the year ended 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:

Particulars	(Rs. in Lakhs)	
	Gratuity (Impact on DBO)	
	31st March, 2026	31st March, 2025
Present value of obligation at the end of period	0.13	-
Discount rate	6.52%	-
Increase by 0.50%	(0.00)	-
Decrease by 0.50%	0.00	-
Future Salary Increases	5.00%	-
Increase by 0.50%	0.00	-
Decrease by 0.50%	(0.00)	-

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 Rs. 0.19 Lakhs (PY: Nil).

x) Maturity profile of defined benefit obligation is as under

Duration of defined benefit obligation duration (years)	(Rs. in Lakhs)	
	Gratuity	
1		0.00
2		0.13
3		-
4		-
5		-
6		-
6 year onward		-
Total		0.13

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.

25 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences (net) credited/debited to the statement of profit and loss is Nil (31 March 2025: Nil).

26 Related Party Disclosures

Disclosure as per Ind AS 24 'Related Party Disclosures' are as under:

a) List of Related Parties

(i) Holding company

Ircon International Limited



(ii) Key Management Personnel (KMP)

Part Time and Non Executive Directors

Name	Designation
Shri Parag Verma	Part Time and Non Executive Director (w.e.f. 23/12/2021 upto 30/04/2025)
Shri Yogesh Kumar Misra	Part Time and Non Executive Director (w.e.f. 01/02/2024 upto 30/10/2025)
Shri Surender Singh	Part Time and Non Executive Director (w.e.f. 01/05/2025)
Shri Ajay Pal Singh	Part Time and Non Executive Director (w.e.f. 01/11/2025)
Shri Masood Ahmad	Part Time and Non Executive Director (w.e.f. 23/12/2021)
Shri Sanjay Bisariya	Part Time and Non Executive Director (w.e.f. 10/09/2025)
Ms. Yamini Sahib	Part Time and Non Executive Director (w.e.f. 27/06/2024)
Shri Amit Adkane	Chief Executive Officer (w.e.f. 28/01/2025)

Remuneration to Key Management Personnel: Company had Part-time and Non Executive Directors during the financial year 2025-26 and 2024-25, nominated on the Board by the Holding Company, do not draw any remuneration from the Company. No sitting fee is paid to Part-time and Non Executive Directors.

b) Remuneration to KMP's are as under:

(Rs. in Lakhs)

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Short term employee benefits	25.72	26.83
Post employment benefits	4.81	7.99
Sitting fee	-	-
Other long-term employee benefits	1.80	12.29
Staff Welfare	-	-
Total	32.33	47.11

c) Transactions with other related parties are as follows:

Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March, 2026	For the year ended 31st March 2025
1) Work expenses			40,082.63	38,872.51
2) Reimbursement expenses of PF, Pension, GIS, BG Charges etc			10.51	36.17
3) Rent Expense (Excluding GST)			3.08	2.81
4) Mobilisation Advance			-	-
5) Proceeds from share application money pending allotment	Ircon International Limited	Holding Company	-	-
6) Receipt of Quasi Equity (Interest free loan)			3,460.00	5,344.00
7) Proceeds from issue of share capital			500.00	-
8) Interest Income on Mobilisation Advance			25.85	319.01
9) Reimbursement for increase in Authorised Share Capital			-	-
10) Reimbursement of GST on corporate Gurantee			-	8.44
11) Loan given	Mr. Amit Adkane	KMP	1.27	-
12) Interest Income on staff advance	Mr. Amit Adkane	KMP	0.11	-

d) Outstanding balances with the related parties are as follows:

Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2026	As at 31st March, 2025
1) Mobilisation Advance			-	1,439.24
2) Interest Accrued on Mobilisation Advance			-	273.83
3) Balance Payable as on reporting date	Ircon International Limited	Holding Company	8,858.46	5,354.61
4) Equity Share Capital (Including Quasi equity)			14,892.00	10,932.00
5) Balance of Share application money			-	-
6) Loans given balances (Including interest accrued on loans)	Mr. Amit Adkane	KMP	1.50	-

e) Terms and conditions of transactions with related parties

- (i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- (ii) Outstanding balances of related parties at the reporting date are unsecured and settlement occurs through banking transactions. These balances are interest free except Mobilisation Advance on which interest is chargeable at an interest rate equal to the average of one year MCLR of top 5 Scheduled Commercial banks plus 1.25%.



27 Earnings per share (EPS)

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 period 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 lakhs)	(ii)	(1,845.55)	607.79
No. of equity shares		93,40,000	43,40,000
Weighted average number of equity shares outstanding during the year	(iii)	80,52,329	43,40,000
Earnings per share (Basic)		(22.92)	14.00
Earnings per share (Diluted)		(22.92)	14.00
Face value per share		10.00	10.00

(ii) Profit attributable to equity shareholders (used as numerator) (Rs. in 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	(1,845.55)	607.79
Profit attributable to Equity holders of the company used for computing EPS	(1,845.55)	607.79

(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	43,40,000	43,40,000
Equity shares issued during the year	50,00,000	-
Equity shares outstanding as on date	93,40,000	43,40,000
Weighted average number of equity shares for computing Basic EPS	80,52,329	43,40,000
Dilution Effect:		
Add: Weighted average numbers of potential equity shares outstanding during the year	-	-
Weighted average number of equity shares for computing Diluted EPS	80,52,329	43,40,000



28 Impairment of Assets

During the period, Company has carried out assessment on impairment of individual assets by working out the recoverable amount based on higher of the value in use and fair value less cost of disposal 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. The recoverable amount has been compared with the carrying amount of the assets and, as the carrying amount does not exceed the recoverable amount, impairment loss of Rs. Nil (FY 2024-25: Nil) has been provided for.

29 Provisions, Contingent liabilities, contingent assets and commitments

A. Provisions

No provisions has to be made as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' as on the reporting date (March 31,2025: Nil).

B. Contingent liabilities

(i) No Claims against the Company acknowledged as debts as on the reporting date (March 31st, 2025: Nil) as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

C. Contingent assets

(i) No claims in favour of the company accounted as receivables as on the reporting date (March 31st, 2025: Nil) as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

D. Commitments

(i) Estimated amount of contracts remaining to be executed on capital account(net of advance) and not provided for is Nil (31 March 2025: Nil).

(ii) Other Commitment towards EPC Sub-Contract work remaining for execution (net of advance) and not provided for on March 31, 2026 is Rs.6677.48 Lakhs (31 March 2025: 39515.73 Lakhs).

30 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 Maharashtra and the Chief Operating Decision Maker (CODM) monitors the operating results of the business as a single segment. Hence, the Company has only one reportable segment, which is Development of Expressway. Information about the reportable segment is same as reflected in the financial statements. 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. Therefore, there is no separate reportable geographical segment.

(iii) Information about major customer

Revenue of Rs. 41460.59 Lakhs (FY 2024-25: Rs. 41499.34 Lakhs) are derived from a single customer i.e. NHAI which is more than 10% of the Company's total revenue.

31 Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade payables and other financial liabilities in domestic currency. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, cash and cash equivalents, loans & other financial assets. The Company is exposed to credit risk, liquidity risk and market risk arising from its use of financial instruments. This note presents information about the Company's exposure to each of the above risks, and the Company's objectives, policies and processes for measuring and managing these risks.

Risk Management Framework

The Company's activities make it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

a) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, cash and cash equivalents with banks and other financial assets. The Company's exposure and credit ratings of its counterparties are continuously monitored by the management.

Cash and cash equivalents

The Company held cash and cash equivalents of Rs. 1857.21 lakhs (31 March 2025 : Rs. 6741.13 lakhs). The cash and cash equivalents are held in public sector banks with strong credit ratings. The Company considers the credit risk on such balances to be insignificant.

Trade Receivables and Other financial assets

The Company's exposure to credit risk is influenced mainly by the characteristics of the 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. The Company derives revenue primarily from the Construction of Expressway and other financial assets primarily relates to the unbilled revenue under Service Concession Arrangement (SCA). The credit risk arising from these trade receivables and unbilled revenue is limited because the counterparty is National Highways Authority of India (NHAI), an autonomous agency of Government of India, with capacity to meet the obligations and therefore, the risk of default is very negligible or Nil.

(i) Exposure to credit risk

Particulars	As at 31st March, 2026	As at 31st March, 2025
Financial Assets for which allowance is measured using General approach (12-month ECL)		
Cash and Cash Equivalents	1857.21	6741.13
Other Current Financial Asset	1.14	0.78
Financial Assets for which allowance is measured using Simplified approach (Lifetime ECL)		
Trade Receivable	-	-
Loans	1.50	-
Contract Asset	69,486.19	39,114.91
Total	71,346.04	46,456.59

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

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Allowances	-	-
Impairment loss recognised during the year	-	-
Amount written-off during the year	-	-
Closing Allowances	-	-

No significant changes in estimation techniques or assumptions were made during the reporting year. During the year, the Company has recognised loss allowance of Nil (31st March, 2025: Rs. Nil).

Summary of change in loss allowances measured using Simplified approach (Lifetime ECL)

Particulars	As at 31st March, 2026	As at 31st March, 2025
Opening Allowances	-	-
Impairment loss recognised during the year	-	-
Amount written-off during the year	-	-
Closing allowances	-	-

During the year, the Company has recognised loss allowance of Nil (31st March, 2025: Rs. Nil).

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity position of the Company is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

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

Particulars	As at 31st March, 2026			
	Less than 1 Year	1-2 Years	2 Years and Above	Total
Term Loan from Banks	514.78	1,029.56	57,825.67	59,370.00
Trade Payable	8,789.90	-	-	8,789.90
Other Financial Liability	108.39	-	-	108.39
Total	9,413.07	1,029.56	57,825.67	68,268.29

Particulars	As at 31st March, 2025			
	Less than 1 Year	1-2 Years	2 Years and Above	Total
Term Loan from Banks	514.78	1,029.56	34,025.67	35,570.00
Trade Payable	5,295.22	-	-	5,295.22
Other Financial Liability	91.41	-	-	91.41
Total	5,901.41	1,029.56	34,025.67	40,956.63

c) 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. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company.

Currency risk

The Company operates in India only and the functional currency of the Company is also Indian Rupees. The Company has no transaction in currency other than functional currency and therefore, the Company is not exposed to foreign currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial instruments affected by interest rate risk includes deposits with banks & borrowing from bank. The interest rate risk on deposits with banks is not significant as the interest rates are generally fixed for the tenure of such instruments. The Company is exposed to interest rate risk arising mainly from non-current borrowings with floating interest rate because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. However, the Company will receive interest income on financial assets arising from annuity-based service concession arrangements (SCA), which are generally linked to similar benchmark rates. Accordingly, changes in interest rates on borrowings are largely offset by corresponding movements in interest income on such financial assets, thereby mitigating the Company's overall exposure to interest rate risk.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Fixed-rate instruments :		
Financial Assets	1,835.00	1,270.00
Financial Liabilities	-	-
Variable-rate instruments:		
Financial Assets	68,404.15	38,917.67
Financial Liabilities	59,370.00	35,570.00



Ircon Akloli-Shirsad Expressway Limited

CIN:-U45309DL2021GOI391629

Notes forming part of the Financial Statements

(All amounts in Indian Rupees Lakhs unless otherwise stated)

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 reasonably possible change of ± 50 basis points (bps) in interest rates has been considered for the purpose of this analysis.

Particulars	31-Mar-26	31-Mar-25
	Impact on PBT	Impact on PBT
Floating rate borrowings: + 50 basis points	(227.94)	(114.89)
Floating rate borrowings: - 50 basis points	227.94	114.89

d) Concentration of risk

The Company has a significant concentration of credit risk as its entire revenue and receivables arise from a single counterparty, i.e., National Highways Authority of India (NHAI) under service concession arrangements. As at the reporting date, substantially all financial assets related to contract assets / receivables are exposed to this counterparty. However, the credit risk is considered low as NHAI is a Government of India undertaking and payments are backed by contractual arrangements.

The following table provides details of revenue generated from the Company's single customer, NHAI, representing 100% of total revenue:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Revenue from NHAI	41,460.59	41,499.34
% age of total revenue	100%	100%

32 Fair Value Measurements
a) Financial instruments by category

Particulars	As at 31st March, 2026		
	FVTPL	FVTOCI	Amortised Cost
Financial Assets			
(i) Trade Receivables	-	-	-
(ii) Cash and cash equivalents	-	-	1,857.21
(iii) Loans	-	-	1.27
(iv) Other financial assets	-	-	69,487.56
	-	-	71,346.04
Financial Liabilities			
(i) Borrowings	-	-	59,370.00
(ii) Trade Payables	-	-	8,789.90
(iii) Other financial liabilities	-	-	108.39
	-	-	68,268.29

Particulars	As at 31st March, 2025		
	FVTPL	FVTOCI	Amortised Cost
Financial Assets			
(i) Trade Receivables	-	-	599.77
(ii) Cash and cash equivalents	-	-	6,741.13
(iii) Loans	-	-	-
(iv) Other financial assets	-	-	39,115.69
	-	-	46,456.59
Financial Liabilities			
(i) Borrowings	-	-	35,570.00
(ii) Trade Payables	-	-	5,295.22
(iii) Other financial liabilities	-	-	91.41
	-	-	40,956.63

b) Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in these financial statements 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



c) Carrying value and Fair value of financial assets and liabilities as at 31st March 2026 and 31st March 2025

Particulars	Carrying Value	Fair Value		
		Level-1	Level-2	Level-3
Financial Assets at Amortized Cost				
(i) Trade Receivables	-	-	-	-
(ii) Cash and cash equivalents	1,857.21	-	-	1,857.21
(iii) Loans	1.27	-	-	1.27
(iv) Other financial assets	69,487.56	-	-	69,487.56
	71,346.04	-	-	71,346.04
Financial Liabilities at Amortized Cost				
(i) Borrowings	59,370.00	-	-	59,370.00
(ii) Trade Payables	8,789.90	-	-	8,789.90
(iii) Other financial liabilities	108.39	-	-	108.39
	68,268.29	-	-	68,268.29

Particulars	Carrying Value	Fair Value		
		Level-1	Level-2	Level-3
Financial Assets at Amortized Cost				
(i) Trade Receivables	599.77	-	-	599.77
(ii) Cash and cash equivalents	6,741.13	-	-	6,741.13
(iii) Loans	-	-	-	-
(iv) Other financial assets	39,115.69	-	-	39,115.69
	46,456.59	-	-	46,456.59
Financial Liabilities at Amortized Cost				
(i) Borrowings	35,570.00	-	-	35,570.00
(ii) Trade Payables	5,295.22	-	-	5,295.22
(iii) Other financial liabilities	91.41	-	-	91.41
	40,956.63	-	-	40,956.63

The management assessed that the carrying amounts of cash and cash equivalents, trade receivables, trade payables and other short-term financial assets and liabilities approximate their fair values due to their short-term maturities.

(i) 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.

(ii) Long term variable rate borrowings are evaluated by company on parameters such as interest rates, specific country risk factors and other risk factors. Based on this evaluation, the fair value of such borrowings are not materially different from their carrying amount.

(iii) Non current financial assets i.e. Contract Assets from construction contract are measured at amortised cost using the effective interest method. These contract assets carry interest at rates linked to MCLR plus applicable spread, which represents market rate of return. Accordingly, the carrying amount of such receivables approximates their fair value and no separate discounting adjustment is considered necessary.

(iv) During the FY 2025-26 & FY 2024-25, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

33 Capital Management

The Company's 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 and also to maintain an appropriate capital structure of debt and equity. The capital structure of the company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitor the return on capital. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

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

The Company monitors capital, on the basis of a number of financial ratios generally used by industry and by the rating agencies. The Company monitors capital using debt equity ratio which is debt divided by total equity. Total equity includes equity share capital, instruments entirely equity in nature and other equity. Debt comprises of non-current and current maturities of long term debt. The debt equity ratio at the end of the reporting period is as follows:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Borrowings (Note No. 11)	58,855.22	35,055.22
Current Maturities of Long term Debt (Note No. 13.1)	514.78	514.78
Debt	59,370.00	35,570.00
Equity (Note No. 9)	934.00	434.00
Instruments entirely equity in nature (Note No. 10.1)	13,958.00	10,498.00
Other Equity (Note No. 10.2)	(517.74)	1,328.31
Total Equity	14,374.26	12,260.31
Debt Equity Ratio	4.13	2.90



34 Revenue

A. Disaggregation of Revenue

Having regard to the nature of contract with customer, there is only one type of category of revenue:

For the year ended March 31, 2026

Type of Product or Services	Revenue as per Ind AS 115	Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss
		Input Method	Output Method		
Highway	41,460.59	41,460.59	-	-	41,460.59
Total	41,460.59	41,460.59	-	-	41,460.59

For the year ended March 31, 2025

Type of Product or Services	Revenue as per Ind AS 115	Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss
		Input Method	Output Method		
Highway	41,499.34	41,499.34	-	-	41,499.34
Total	41,499.34	41,499.34	-	-	41,499.34

The total revenue recognised under Ind AS 115 during the year Rs 41460.59 Lakhs (for the year ended 31st March, 2025 : Rs. 41,499.34 Lakhs) is recognised over a period of time.

B. Contract balances

Particulars	As at 31st March, 2026	As at 31st March, 2025
Trade Receivables (Note 6.1)	-	599.77
Contract Assets (Note 3.2 & 6.4)	69,486.19	39,114.91
Contract Liabilities (Note 14)	589.26	1,293.04

- 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.

Movement in contract balances during the year

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Contract asset at the Beginning of the period	25,547.47	13,567.44
Contract asset at the end of the period	69,486.19	39,114.91
Net increase/(decrease)	43,938.72	25,547.47

For the Financial 2025-26 and 2024-25 - There has been an net increase of Rs. 43,938.72 Lakhs and Rs. 25,547.47 Lakhs respectively as compared to previous year due to recognition of revenue based on input method whereelse bills for work done are certified based on contract condition. During the year ended on March 31, 2026 Rs 11974.11 lakh and March 31, 2025, Rs 20771.52 lakhs of contract asset as of April 1, 2025 and April 1, 2024 respectively has been classified to trade receivable upon billing to customer on completion of milestone.

- 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. The Contract liabilities as at 31 March 2026 Rs. 589.26 Lakhs (March 31st 2025: Rs. 1293.04 Lakhs).

Movement in contract balances during the year

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Contract liabilities at the Beginning of the period	1,293.04	-
Contract liabilities at the end of the period	589.26	1,293.04
Net increase/(decrease)	(703.78)	1,293.04

For the year 2025-26 and 2024-25, there has been a net incerase of Rs (703.78) lakhs and 1293.04 lakhs as compatried to previous year due to advance received from client towards works executed.



Ircon Akloli-Shirsad Expressway Limited

CIN:-U45309DL2021GOI391629

Notes forming part of the Financial Statements

(All amounts in Indian Rupees Lakhs unless otherwise stated)

C. Set out below is the amount of revenue recognised from:

Particulars	As at 31st March, 2026	As at 31st March, 2025
Amount included in contract liabilities at the beginning of the period	703.78	-
Performance obligation satisfied in previous year	-	-

D. Cost to obtain the contract

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

E. Transaction price allocated to the remaining performance obligations

The transaction price for remaining performance obligations shall be received over the contract period in proportion of the work performed/services provided by the Company.
The following table shows unsatisfied performance obligations resulting from long-term construction contracts:

Particulars	As at 31st March, 2026 Refer note (a)	As at 31st March, 2025 Refer note (a)
Within one year	18,464.46	32,553.80
More than one year to 2 years	300.00	300.00
More than 2 years	3,900.00	4,125.00
Total	22,664.46	36,978.80

Note:

(a) The amount disclosed above does not include variable consideration which is constrained.

35 Service Concession Arrangements

Disclosure pursuant to Appendix D of Ind AS 115 "Service Concession Arrangements" is as under:

a) Description of the arrangement

Ircon Akloli-Shirsad Expressway Limited (IrconASEL), a wholly-owned subsidiary of Ircon International Limited has been incorporated as a Special Purpose Vehicle on December 23, 2021, pursuant to a conditions as stipulated in Letter of Award issued by National Highway Authority of India (NHAI). Ircon Akloli-Shirsad Expressway Limited (IrconASEL) has entered in to service concession arrangement on 27th January 2022 with National Highway authority of India (NHAI) in terms of which NHAI (Authority) has authorised the company to carry the business of Construction of Eight Lane access controlled Expressway from Km 3.000 to Km 20.200 (design length 17.200 km) from Shirsad to Akloli Section SPUR of Vadodara Mumbai Expressway(hereinafter called the "Vadodara Mumbai Expressway") in the State of Maharashtra under Bharatmala Pariyojana (Phase II-Package XIV) by Eight laning thereof (the "Project") on Hybrid Annuity basis, which shall be partly financed by the concessionaire who shall recover its investment and costs through payment to be made by the authority, in accordance with the terms and conditions set in the concession agreement.

b) Significant terms of the arrangement

- Period of the Concession : 15 Years from Commercial Operation Date (COD).
- Construction Period : 548 days from Appointed Date i.e. from 10/11/2022.
- Payment Terms : Bid Project Cost (BPC) = Rs. 1124 crore. 40% of the BPC, adjusted for the Price Index Multiple, shall be due and payable in 10 equal installments of 4% each during the Construction period and remaining BPC, adjusted for the Price Index Multiple, shall be due and payable in 30 biannual installments commencing from the 180th day of COD.

In terms of the said agreement IrconASEL has no right to use the specified assets and has an obligation to complete construction of the project and to keep the project assets in proper working condition including all projects assets whose lives have expired.

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 IrconASEL have right to terminate the agreement if they are not able to cure the event of default in accordance with such agreement.

c) Financial assets (Service concession receivables)

The company has recognized unbilled receivable of Rs.68,404.15 Lakhs as on 31st March 2026 (31st March 2025 Rs.38917.67 Lakhs) under service concession arrangement and shown under other non current Financial Assets which it will receive as per terms of the contract based on the completion of milestone.

d) Disclosure of revenue and profits or loss during the year

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Contract Revenue Recognized	41,460.59	41499.34
Aggregate amount of cost incurred	40,316.36	39,154.82
Profit/(Loss) recognised during the year for exchange of construction service for a financial asset	1,144.23	2,344.52
Amount of advance received from Client	589.26	1,293.04
Amount of retention by Client	1,082.04	197.24
Gross amount due from Client for Contract Works	68,404.15	39517.44

36 Leases
a) Company as a Lessee

- 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.
- 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 for such leases without penalty.

The following are the amounts recognised in Statement of profit and loss:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Expense relating to short-term leases (Refer Note 22)	3.64	3.33



- b) Company as a Lessor
Company has no leasing arrangement as a lessor.

37 Details of delayed payment to Micro and Small Enterprises as defined under the MSMED Act, 2006

S.No.	Particulars	As at 31st March, 2026	As at 31st March, 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 and small enterprises	NIL	4.10
	Interest due on above	NIL	NIL
b)	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	NIL	NIL
c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	NIL	NIL
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	NIL	NIL
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	NIL	NIL

38 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, 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	For the year ended 31st March, 2026	For the year ended 31st March 2025
Gross amount required to be spent by the Company during the year	11.99	6.57
Amount approved by the Board to be spent during the year	11.99	6.57

B. Amount spent on CSR Activities

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
On Construction/acquisition of any asset*	-	-
On purposes other than above*	11.99	6.57
Total	11.99	6.57

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

C. Break-up of the CSR expenses under major heads is as under:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Contribution to Clean Ganga Fund (CGF)	-	6.57
Procurement of Hospital & Healthcare equipment	11.99	-
Total	11.99	6.57

D. Details related to unspent amount/ excess amount spent:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Opening Balance	-	-
Amount deposited in specified fund of schedule VII within 6 months	-	-
Amount required to be spent during the year (as per (A) above)	11.99	-
Amount spent during the year (as per (b) above)	-	-
Closing balance (Shortfall/Excess amount spent by the company)	11.99	-

E. Details related to unspent obligations:

Particulars	For the year ended 31st March, 2026	For the year ended 31st March 2025
Unspent amount in relation to:		
- Ongoing project (#)	11.99	-
- Other than ongoing project (as per D above)	-	-



Ongoing Project:

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
-	-	11.99	-	-	-	11.99

F. Other Disclosure:

Particulars	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 18, Related party disclosures.	-	-
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	-	-

39 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 ending 31st March 2026 and 31st March 2025.

40 Additional Regulatory information:

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 ending 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 ending 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 financial year ending on 31st March 2026 and 31st March 2025 to be disclosed separately in Statement of changes in equity.
- (v) The Company has no cases of any charges or satisfaction which is yet to be registered with ROC beyond the statutory period in the financial year ending 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 has granted loans or advances in the nature of loans to Key Managerial Personnel (KMP) whose balance outstanding as on 31st March, 2026: Rs. 1.27 Lakh (31st March, 2025: Nil). Apart from the above, the Company has not given loans and advances in the nature of loans to promoters, directors, KMP and other related parties in the financial year ending 31st March 2026 and 31st March 2025 except the mobilization advance of Rs 5,000.00 lakhs given in FY 22-23.
- (ix) The Company does not have any immovable properties as at 31st March 2026 and 31st March 2025.
- (x) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority in the financial year 2025-26 and 2024-25.
- (xi) 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 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.
- (xiii) The Company have not entered into any scheme(s) of arrangements during the year ending 31st March 2026 and 31st March 2025.
- (xiv) The Company has not entered in any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year 2025-26 and 2024-25 in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xv) Company has not received any grants and donations during the year ending 31st March 2026 and 31st March 2025.
- (xvi) The Company does not have any Capital Work- in- Progress as at 31st March, 2026 and 31st March, 2025. So, ageing of Capital Work- in- Progress is not applicable.
- (xvii) The Company does not have any Investment Property as at 31st March, 2026 and 31st March, 2025, so fair valuation of investment property is not applicable.
- (xviii) The Company does not have any Intangible Assets and Intangible Assets under Development as at 31st March, 2026 and 31st March, 2025.
- (xix) The Company follows cost model for recognition of Property, plant and equipment and accordingly, has not revalued any of its Property, plant and equipment during the FY 2025-26 and in FY 2024-25.
- (xx) The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules, 2017 are not applicable on the company.
- (xxi) The following accounting ratios are disclosed:



Ircon Akloli-Shirsad Expressway Limited
CIN:-U45309DL2021GOI391629
Notes forming part of the Financial Statements

(All amounts in Indian Rupees Lakhs unless otherwise stated)

S.No	Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	% change	Reason for change more than 25%
a)	Current ratio (in times)	Current Assets	Current Liabilities	0.57	1.78	-67.98%	Decrease in the Current Asset in Current year when compared with the last year.
b)	Debt-equity ratio (in times)	Total Debt	Shareholder's Equity	4.13	2.90	42.41%	Increase in Loan in Current Year compared with the last Year
c)	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	0.50	1.32	-62.12%	The company has taken more loan from Bank of Baroda in the Current year as compared to last year
d)	Return on equity ratio (in %)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	-13.86	6.55	-311.60%	Decrease in Profit in current year
e)	Inventory turnover ratio (in times)	Cost of goods sold	Average Inventory	-	-	N.A.	NA
f)	Trade receivables turnover ratio (in times)	Revenue from Operations	Average Trade Receivable	138.26	23.71	483.13%	Increase in Average Receivable in the current year
g)	Trade payable turnover ratio (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	5.70	6.49	-12.17%	NA
h)	Net capital turnover ratio (in times)	Revenue from Operations	Working capital = Current assets – Current liabilities	(9.20)	7.05	-230.50%	Due to decrease in net working capital
i)	Net profit ratio (in %)	Net Profit	Revenue from Operations	(4.45)	1.46	-404.79%	Due to decrease in income.
j)	Return on capital employed (in %)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	1.62	5.64	-71.28%	Due to decrease in Profit for current year.
h)	Return on investment (in %)	Income generated from Investments (Finance Income)	Time weighted average Investment	-	-	N.A.	NA

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

Certain reclassification has been made to the comparative period's financial statements to enhance comparability with the current year's financial statements. As a result certain line items have been reclassified in the Balance Sheet.

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 ₹ 0.13 lakh has been recognised in the financial statements (refer Note 24)

Sr No	Particulars	Amount
1	Past service cost charged to P&L	
2	Current service cost charged to P&L	0.13
3	Impact on profit before tax	(0.13)
4	Impact on Other Comprehensive Income	-
5	Defined benefit obligation recognised	0.13

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



43 Other disclosures

- (i) The company is incorporated on 23rd December 2021 as wholly owned subsidiary of Iron International Limited.
- (ii) The Company has a system of obtaining periodic confirmation of balances from banks and other parties.
- (iii) 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.
- (iv) Figures rounded off to the nearest rupees in Lakh.

As per our report of even date attached
For SSAG & Associates
Chartered Accountants
ICAI Firm Registration No. 10106060N

Sachin Gupta
Partner
ICAI Membership No.: 097361

Place : New Delhi
Date : 05.05.2026



For and on behalf of the Board of Directors
Iron Akloli-Shirsad Expressway Limited

Masood Ahmad
(Director)
(DIN:-09006553)

Sanjay Bisariya
(Director)
(DIN:-11291128)

Amit Adkane
(Chief Executive Officer)



**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 AKLOLI-SHIRSAD EXPRESSWAY LIMITED FOR THE
YEAR ENDED 31 MARCH 2026**

The preparation of financial statements of **IRCON AKLOLI-SHIRSAD 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 17 July 2026 which supersedes their earlier Audit Report dated 05 May 2026.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **IRCON AKLOLI-SHIRSAD 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 Auditor 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 my 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: 01.08.2026



Teg Singh
Principal Director of Audit
Railway Commercial, New Delhi



IRCON AKLOLI-SHIRSAD EXPRESSWAY LIMITED (‘IrconASEL’)

Registered & Corporate Office:

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