

**KNR TIRUMALA INFRA PRIVATE
LIMITED**

**05TH
ANNUAL REPORT
2022-23**

CORPORATE INFORMATION
CIN: U45500TG2018PTC123857

Board of Directors:

Mr. Ravindranath Karati	- Non-Executive Director
Mr. Kapil Nayyar	- Non-Executive Independent Director
Mr. Akhil Kumar Jain	- Non-Executive Independent Director
Mr. Bovin Kumar	- Non-Executive Director
Ms. Pooja Agarwal	- Non-Executive Director

Key Managerial Personnel:

Mr. Kankanala Krishnarao	- Chief Executive Officer (CEO)
Mr. Krishna Yendluri	- Chief Financial Officer (CFO)
Mr. Sanjay Kumar	- Company Secretary (CS)

Auditors:

Statutory Auditors	- S.B. Billimoria & Co. LLP.
Internal Auditor	- KPMG Assurance and Consulting Services LLP
Secretarial Auditor	- GSK & Associates, Company Secretaries
Cost Auditor	- V.J. Talati & Co.

Registrar and Transfer Agents:

Bigshare Services Private Limited

Debenture Trustee

Catalyst Trusteeship Limited

Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina,
Santacruz (East), Mumbai – 400098

Address:

Registered Office

3rd Floor, GMR Aero Towers 2, Mamidipally
Village, Saroor Nagar Mandal, Rangareddy,
Hyderabad, Telangana Rangareddy AP
500108

Corporate Office

Unit No. 1901, 19th Floor, Tower B World
Trade Tower Plot No. C-1 Sector 16, Noida -
201301

Website:

<https://ktypl.co.in/>

KNR TIRUMALA INFRA PVT. LTD.

NOTICE OF 5TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 5th Annual General Meeting of the Members of KNR Tirumala Infra Private Limited, will be held at a shorter notice on Thursday, the 10th day of August 2023, at 11:30 a.m. (IST) at the Registered Office of the Company situated at 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy 500108 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2023 and Statement of Profit and Loss for the year ended on that date along with the Cash Flow Statement and notes forming part of accounts together with the Reports of Directors' and the Auditors' thereon.
2. To approve appointment of M/s. S B Billimoria & Co., Chartered Accountants (Firm Registration No. 101496W/W-100774) as Statutory Auditors to fill casual vacancy and to fix their remuneration;

"RESOLVED THAT pursuant to the provisions of Section 139(8) and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) thereof for the time being in force and pursuant to recommendation made by the Board of Directors, M/s. S B Billimoria & Co., Chartered Accountants (Firm Registration No. 101496W/W-100774), be and is hereby appointed as statutory auditor of the company for a period of 5 years commencing from the financial year 2023-24 and shall be eligible to hold office till the conclusion of the 10th Annual General Meeting (AGM) of the Company at a remuneration as may be mutually decided between the Auditors and the Board of Directors, to fill casual vacancy caused by resignation of M/s. M.K. Dandekar & Co. LLP, Chartered Accountants (Firm Registration No.:000679S / S000103).

RESOLVED FURTHER THAT the Board of Directors and/or Company Secretary of the Company be and is hereby authorised to inform M/s. S B Billimoria & Co., Chartered Accountants of their appointment and file the notice of the same with Registrar of Companies in the manner prescribed under the provisions of the Companies Act, 2013, read with the relevant rules prescribed there under, if required."

SPECIAL BUSINESS:

3. **APPOINTMENT OF MR. AKHIL KUMAR JAIN (DIN: 07521882) AS NON-EXECUTIVE INDEPENDENT DIRECTOR**

To consider and, if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN
Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktml.co.in
CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

“RESOLVED THAT pursuant to the provisions of Regulation 17 & 25 (6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 149, 150 and 152 of read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, sections, rules of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and pursuant to the provisions of Articles of Association of the Company consent of the members be and is hereby accorded to appoint Mr. Akhil Kumar Jain having Director Identification Number – 07521882, who was appointed as Additional Director (category-Non Executive Independent Director) of the Company w.e.f. June 29, 2023 and who has submitted necessary declarations under relevant provisions of the Act and Rules of the Companies Act, 2013, for a period of 1 year.

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company of the Company be and is hereby authorized, jointly and/or severally, to do all such acts, deeds and things as may be required to give effect to above resolution including but not limited to the filing of necessary forms and/or returns with the jurisdictional Registrar of Companies and making necessary entries in the Statutory Registers of the Company.”

4. **APPOINTMENT OF MR. RAVINDRANATH KARATI (DIN: 07419535) AS NON-EXECUTIVE DIRECTOR**

To consider and, if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof for the time being in force) and Articles of Association of the Company, consent of the members be and is hereby accorded to appoint Mr. Ravindranath Karati having Director Identification Number – 07419535, who was appointed as Additional Director (category-Non Executive Director) of the Company w.e.f. June 29, 2023 and who has submitted necessary declarations under relevant provisions of the Act and Rules of the Companies Act, 2013.

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company of the Company be and is hereby authorized, jointly and/or severally, to do all such acts, deeds and things as may be required to give effect to above resolution including but not limited to the filing of necessary forms and/or returns with the jurisdictional Registrar of Companies and making necessary entries in the Statutory Registers of the Company.”

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN

Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India

Phone: 0120- 4868307, E-mail: compliance@ktml.co.in

CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

5. RATIFICATION OF COST AUDITORS' REMUNERATION

To consider and, if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the consent of the Members be and is hereby accorded to ratify the remuneration of Rs. 25,000/- (Rupees Twenty-Five only) plus taxes plus out of pocket expenses payable to M/s. V. J. Talati & Co., Cost Accountants (Firm Registration No. R00213) who have been appointed by the Board of Directors as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company, for the Financial Year ending March 31, 2024.

RESOLVED FURTHER THAT any Director and/or the Company Secretary be and is hereby singly authorized to settle any question, difficulty, or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

6. TO APPROVE CONTRIBUTION UNDER COMMUNITY DEVELOPMENT PROGRAM

To consider and, if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013 read with rules and regulations made there under and all other applicable laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of Memorandum and Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to make contributions for an amount not exceeding INR 9,54,000/- (Indian Rupees Nine Lakh Fifty Four Thousand only) for the financial year 2023-24 under Community Development Program (CDP) of the Company.

RESOLVED FURTHER THAT any Director and/or Company Secretary of the Company, be and is hereby jointly and/or severally authorized to do all such acts, matters, deeds and things, sign any documents as may be necessary or desirable in connection with or incidental to giving effect to the above resolution.

RESOLVED FURTHER THAT the copies of foregoing resolutions, certified by any one director and/or Company Secretary of the Company to be true, be furnished to the concerned authorities to act thereon.”

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN

Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktml.co.in

CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

By Order of the Board
For KNR Tirumala Infra Private Limited



Sanjay Kumar
(Company Secretary)
M. No. A37163
Address: A-5, Plot No. 188, Shakti Khand-II,
Indirapuram, Ghaziabad – 201014

Date: August 04, 2023
Place: Noida

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy,
Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN
Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktml.co.in
CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGREEGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY.

A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Proxies in order to be effective must be received at the Registered Office of the Company at any time but not less than 48 hours before the Meeting. The format of proxy is enclosed.
3. The documents referred to in the proposed resolutions and explanatory statement are open for inspection at the Registered Office of the Company during working hours between 9.30 A.M. and 1.00 P.M., except on holidays.
4. The Directors' Report, Auditors' Report and Audited Balance Sheet as at March 31, 2023 and the Profit and Loss Account & cash flow statement for the period ended on that date are enclosed.
5. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. Route Map for the venue of Annual General Meeting is enclosed herewith.
7. Members are requested to bring their copies of Annual Report to the General Meeting and are requested to sign at the place provided on the attendance slip and hand it over at the entrance of the venue.
8. A Member desirous of seeking any information on the accounts or operations of the Company is requested to forward his/her query in writing to the Company at least 24 hours prior to the Meeting, so that the required information can be made available at the Meeting.
9. Register of Directors & KMP and their Shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contract or Arrangements in which the Directors are interested maintained under Section 189 and all other statutory registers of the Act will be available for inspection by the Members at the General Meeting.

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN

Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktml.co.in

CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

10. Members are requested to notify any change in their address to the Company immediately.
11. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business as set out above is annexed hereto.

By Order of the Board
For **KNR Tirumala Infra Private Limited**



Sanjay Kumar
(Company Secretary)
M. No. A37163
Address: A-5, Plot No. 188, Shakti Khand-II,
Indirapuram, Ghaziabad – 201014

Date: August 04, 2023
Place: Noida

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy,
Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN
Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktml.co.in
CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

EXPLANATORY STATEMENT(S) AS REQUIRED UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013 AND FOR ORDINARY AND SPECIAL BUSINESS

ITEM NO. 2

TO APPROVE APPOINTMENT OF M/S. S B BILLIMORIA & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 101496W/W-100774) AS STATUTORY AUDITORS TO FILL CASUAL VACANCY AND TO FIX THEIR REMUNERATION

The members of the Company are requested to note that M/s. M.K Dandekar & Co. LLP, Chartered Accountants (Firm Registration No.: 000679S/S000103) have tendered their resignation as Statutory Auditors w.e.f. the close of business hours of May 15, 2023, thereby causing a casual vacancy in the office of Statutory Auditors of the Company. As per Section 139 (8) of the Companies Act, 2013, casual vacancy caused by the resignation of the auditor shall be filled by the shareholders in the General Meeting within three months from the date of recommendation of the Board of Directors of the Company.

The Board of Directors of the Company recommended the appointment of M/s. S B Billimoria & Co., Chartered Accountants (Firm Registration No. 101496W/W-100774), as the Statutory Auditors of the Company to fill the said casual vacancy.

M/s. S B Billimoria & Co., Chartered Accountants (Firm Registration No. 101496W/W-100774) (SBB), have conveyed their consent for being appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013 and shall satisfy the criteria as provided under section 141 of the Companies Act, 2013. Further the Company has received a certificate from S B Billimoria & Co. LLP, in prescribed form B declaring that firm complies with all eligibility norms prescribed by RBI regarding appointment of statutory auditors.

None of the Directors or Key Managerial Persons of the Company (including their relatives) are concerned or interested in the said resolution.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 2 of the notice as an ordinary resolution.

ITEM NO. 3

APPOINTMENT OF MR. AKHIL KUMAR JAIN (DIN: 07521882) AS NON-EXECUTIVE INDEPENDENT DIRECTOR

Mr. Akhil Kumar Jain was appointed as an Additional Director (Category- Non-Executive Independent Director) by the Board of Directors of the Company at their meeting held on June 29, 2023.

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN

Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktilp.co.in

CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

In terms of Section 149, 152, 160 and its related and applicable provisions of the Companies Act, 2013, read with the Rules made there under, Mr. Akhil Kumar Jain being eligible and offers himself for appointment, is proposed to be appointed as Non-Executive Independent Director, for a period of 1 year.

Mr. Akhil Kumar Jain has submitted declaration that he is not disqualified to become a Director under Section 164(2) of the Companies Act, 2013 and has also given his consent to hold office as Director.

Mr. Jain has also given a declaration to the company that he meets criteria of independence as prescribed under Section 149 (6) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Board, based on the experience/expertise declared by Mr. Akhil Kumar Jain, is of the opinion that Mr. Jain possesses the requisite qualification and skill set to act as a Non-Executive Independent Director of the Company. The Board is also of the opinion that owing to the rich and varied experience of Mr. Jain, his association would be of immense benefit to the Company, and it is desirable to appoint him as Non-Executive Independent Director.

Mr. Akhil Kumar Jain has no relationship with any Director or Key Managerial Personnel of the Company.

Further, except, Mr. Akhil Kumar Jain, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

The details as prescribed under Secretarial Standard-2 (SS-2) issued by the Institute of Company Secretaries of India are tabled below:

Name	Mr. Akhil Kumar Jain
Age	73 years
Qualification	Retired IAS Officer
Experience	36 years
Terms & Conditions of Appointment	Appointment in the capacity of a Non- Executive Independent Director. As per detailed Details provided in resolution under item number 3 of the notice.
Date of first appointment on the Board	June 29, 2023
Shareholding in the Company	Nil
Relationship with other Directors, Manager and KMP	No relationship
No. of Board meetings attended during the year	1
Other Directorships	Nil

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN

Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktml.co.in

CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

Membership/Chairmanship of the Committees of Board held in other company	Nil
--	-----

The Board recommends resolution under item no. 3 to be passed as an ordinary resolution.

ITEM NO.4

APPOINTMENT OF MR. RAVINDRANATH KARATI (DIN: 07419535) AS NON-EXECUTIVE DIRECTOR

Mr. Ravindranath Karati was appointed as an Additional Director (Category- Non-Executive Director) by the Board of Directors of the Company at their meeting held on June 29, 2023.

In terms of Section 149, 152 and its related and applicable provisions of the Companies Act, 2013, read with the Rules made there under, Mr. Ravindranath Karati being eligible and offers himself for appointment, is proposed to be appointed as Non-Executive Director.

Mr. Ravindranath Karati has submitted declaration that he is not disqualified to become a Director under Section 164(2) of the Companies Act, 2013 and has also given his consent to hold office as Director.

The Board, based on the experience/expertise declared by Mr. Ravindranath Karati, is of the opinion that Mr. Karati possesses the requisite qualification and skill set to act as a Non-Executive Director of the Company. The Board is also of the opinion that owing to the rich and varied experience of Mr. Karati, his association would be of immense benefit to the Company, and it is desirable to appoint him as Non-Executive Director.

Mr. Ravindranath Karati has no relationship with any Director or Key Managerial Personnel of the Company.

Further, except Mr. Ravindranath Karati, none of the Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

The details as prescribed under Secretarial Standard-2 (SS-2) issued by the Institute of Company Secretaries of India are tabled below:

Name	Mr. Ravindranath Karati
Age	52 years
Qualification	Post Graduate
Experience	30 years
Terms & Conditions of Appointment	Appointment in the capacity of a Non- Executive Director (no fixed term). No remuneration to be paid.

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN
Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktml.co.in
CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

	- Details provided in resolution under item number 4 of the notice.
Date of first appointment on the Board	June 29, 2023
Shareholding in the Company	Nil
Relationship with other Directors, Manager and KMP	No relationship
No. of Board meetings attended during the year	Nil
Other Directorships	<ol style="list-style-type: none">1. Mahua Bharatpur Expressways Limited2. N.A.M. Expressway Limited3. Nelamangala Devihalli Expressway Private Limited4. Walayar Vadakkencherry Expressways Private Limited5. DA Toll Road Private Limited6. Mangalwedha Solapur Highways Private limited7. Farakka-Raiganj Highways Limited8. Cube Highways Operations Management Private Limited9. Cube Highways Roots Foundation10. Cube Highways Technologies Private Limited11. Borgaon- Watambare Highways Private Limited
Membership/Chairmanship of the Committees of Board held in other company	Audit Committee: Mahua Bharatpur Expressways Limited Nomination and Remuneration Committee: Mahua Bharatpur Expressways Limited CSR Committee: Farakka-Raiganj Highways Limited

The Board recommends resolution under item no. 3 to be passed as an ordinary resolution.

ITEM NO. 5

RATIFICATION OF COST AUDITORS' REMUNERATION

As per the provisions of Section 148 of the Companies Act 2013, Company is required to get the audit of its cost records conducted by a Cost Accountant in Practice. The Board of Directors of the Company have approved the appointment and remuneration of M/s. V. J. Talati & Co., Cost Accountant in Practice as the Cost Auditors of the Company to conduct audit of cost records of the Company for the Financial Year

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN
Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, **E-mail:** compliance@ktml.co.in
CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

ending March 31, 2024, at a remuneration of Rs. 25,000/- plus taxes plus reimbursement of out-of-pocket expenses.

In accordance with the provisions of Section 148 of the Act read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, as approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors, to conduct audit of cost records of the Company for the Financial Year ending March 31, 2024.

None of the Directors and Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in passing the aforesaid resolution.

The Board recommends the resolution set out at Item No. 3 for the approval by the Members of the Company as an Ordinary Resolution.

ITEM NO. 6

TO APPROVE CONTRIBUTION UNDER COMMUNITY DEVELOPMENT PROGRAM

The members are requested to note that the management of the Company is desirous of undertaking Community Development Program (CDP) for the financial year 2023-24 for an aggregate amount not exceeding INR 9,54,000/- (Indian Rupees Nine Lakh Fifty Four Thousand only)

The members are further requested to note that the communities living near the road assets do not have a positive mindset towards the Company, creating various issues in its maintenance and operations leading to challenging situation in day-to-day operations. The proposed CDP activities will help in bridging the gap between the community and the Company, building trust and creating positive impact among community members.

The above-mentioned CDP activities are planned with an objective to integrate communities, living in the catchment area, in the development process to inculcate a sense of inclusiveness and to empower the communities residing along the Project site. The primary goal is to shift the image from a Toll Company to Socially inclusive and Responsible Company These CDP activities will focus on major areas of development viz.

- Promotion of education
- Promotion of employment enhancing vocation skills
- Promoting preventive health care
- Promotion of sanitation and making available safe drinking water

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN

Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktml.co.in

CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

In terms of the provisions of Section 181 of the Companies Act, 2013, any amount contributed to any charitable and other funds in excess of 5% of the Company's average net profits during the three immediately preceding financial years need prior approval of the Members of the Company. It may be noted that the Company has incurred losses in two out of the three preceding years and accordingly does not have average net profits for making the proposed contribution.

Therefore, it is necessary to obtain the approval of the Members of the Company for the proposed contributions to be made by the Company for CDP activities.

Accordingly, approval of the members is now being sought pursuant to Section 181 of the Companies Act, 2013, authorizing the Board of Directors of the Company to make contributions during the financial year ended March 31, 2024, for an aggregate amount not exceeding INR 9,54,000/- (Indian Rupees Nine Lakh Fifty Four Thousand only) under Community Development Program.

None of the Directors and Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in passing the aforesaid resolution.

The Board recommends the resolution set out at Item No. 6 as Ordinary Resolution for the approval by the members of the Company.

By Order of the Board

For **KNR Tirumala Infra Private Limited**



Sanjay Kumar
(Company Secretary)

M. No. A37163

Address: A-5, Plot No. 188, Shakti Khand-II,
Indirapuram, Ghaziabad – 201014

Date: August 04, 2023

Place: Noida

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy,
Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN
Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktml.co.in
CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

KNR TIRUMALA INFRA PRIVATE LIMITED

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy,
Hyderabad, Telangana Rangareddy AP 500108

Email id: Compliance@ktypl.co.in

CIN: U45500TG2018PTC123857

ATTENDANCE SLIP

Regd. Folio No. / DP ID – Client ID : _____
Name and Address of First/Sole Shareholder : _____
No. of Shares held : _____

I certify that I am a registered shareholder/ proxy of the Company.

I hereby record my presence at the 05th Annual General Meeting of the Company to be held at a shorter notice on Thursday, the 10th day of August 2023, at 11:30 a.m. (IST) at 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy AP 500108.

Member's/Proxy's name in Block letters

Member's/Proxy's Signature

Notes:

- a) Only Member/Proxy can attend the Meeting. No minors would be allowed at the Meeting.
- b) Member / Proxy wishing to attend the Meeting must bring this attendance slip to the meeting and handover at the entrance, duly filled in and signed.

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy,
Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN

Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India

Phone: 0120- 4868307, E-mail: compliance@ktypl.co.in

CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

KNR TIRUMALA INFRA PRIVATE LIMITED

(CIN: U45500TG2018PTC123857)

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy AP 500108

Tel: +91-0120-4868307, Email id: compliance@ktyl.co.in

05TH ANNUAL GENERAL MEETING

Name of Member(s):

Registered Address:

Email ID:

Folio No. / DP ID-Client ID:

I/We being the member(s) holding shares of KNR TIRUMALA INFRA PRIVATE LIMITED, hereby appoint

1. Name
Address
Email ID
Signature or failing him/her
2. Name
Address
Email ID
Signature or failing him/her

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5th Annual General Meeting of the Company to be held at a shorter notice on Thursday, the 10th day of August 2023, at 11:30 a.m. (IST) at 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy AP 500108.

S. No.	RESOLUTIONS	Option	
		For	Against
Ordinary Business			
1.	To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2023 and Statement of Profit and Loss for the year ended on that date along with the Cash Flow Statement and notes forming part of accounts		

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN

Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India
Phone: 0120- 4868307, E-mail: compliance@ktyl.co.in

CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

	together with the Reports of Directors' and the Auditors' thereon.		
2.	To approve appointment of M/s. S B Billimoria & Co., Chartered Accountants (Firm Registration No. 101496W/W-100774) as Statutory Auditors to fill casual vacancy and to fix their remuneration		
Special Business			
3.	Appointment of Mr. Akhil Kumar Jain (DIN: 07521882) as Non-executive Independent Director		
4.	Appointment of Mr. Ravindranath Karati (DIN: 07419535) as non-Executive director		
5.	Ratification of Cost Auditors' Remuneration		
6.	To approve contribution under Community Development Program		

Signed this day of.....2023

Signature of the shareholder/Proxy Holder.....

Reference Folio No. / DP ID & Client ID

No. of Shares

Notes:

1. The Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. Pursuant to the provisions of Section 105 of Companies Act, 2013, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.
7. Please complete all details including details of member (s) in above box before submission.

Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN

Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India

Phone: 0120- 4868307, E-mail: compliance@ktml.co.in

CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

ROUTE MAP FOR 5TH ANNUAL GENERAL MEETING OF KNR TIRUMALA INFRA PRIVATE LIMITED, SCHEDULED TO BE HELD AT SHORTER NOTICE ON THURSDAY, THE 10TH DAY OF AUGUST 2023, AT 11:30 A.M. (IST) AT 3RD FLOOR, GMR AERO TOWERS 2, MAMIDIPALLY VILLAGE, SAROOR NAGAR MANDAL, RANGAREDDY, HYDERABAD, TELANGANA RANGAREDDY AP 500108



Regd. Off: 3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana Rangareddy Rangareddy Rangareddy AP 500108 IN

Corporate Off: 1901, 19th Floor, Tower-B, World Trade Tower, Plot # C-1, Sector-16, Noida – 201301, UP. India

Phone: 0120- 4868307, E-mail: compliance@ktml.co.in

CIN: U45500TG2018PTC123857

THE COMPANIES ACT, 2013
Consent of shareholder for Shorter Notice
(Pursuant to Section 101(1))

To,
The Board of Directors
KNR Tirumala Infra Private Limited
3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal,
Rangareddy, Hyderabad, Telangana Rangareddy AP-500108

I, _____, having registered office at _____ holding _____ equity shares of Rs.10/- each in the Company do hereby give consent, pursuant to Section 101(1) of the Companies Act 2013, to convene and hold the Annual General Meeting of KNR Tirumala Infra Private Limited on Thursday, The 10th day of August 2023 at a shorter notice.

Signature
Authorized Signatory/Representative

Date:
Place:

(On the letterhead of Shareholders)

Dated:

To
(Name and Address of Authorised Representative)

Reference: Annual General Meeting (“AGM”) of KNR Tirumala Infra Private Limited dated 10/08/2023

Subject: Voting Instruction

Dear _____,

_____ (**‘Company’**) has received attached notice to attend the AGM of KNR Tirumala Infra Private Limited. You are requested to attend the AGM and cast vote on behalf of Company as under:

- 1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED BALANCE SHEET AS ON 31ST MARCH 2023 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON THAT DATE ALONG WITH THE CASH FLOW STATEMENT AND NOTES FORMING PART OF ACCOUNTS TOGETHER WITH THE REPORTS OF DIRECTORS’ AND THE AUDITORS’ THEREON.**

Voting Instruction : Yes/No

- 2. TO APPROVE APPOINTMENT OF M/S. S B BILLIMORIA & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NO. 101496W/W-100774) AS STATUTORY AUDITORS TO FILL CASUAL VACANCY AND TO FIX THEIR REMUNERATION.**

Voting Instruction : Yes/No

- 3. APPOINTMENT OF MR. AKHIL KUMAR JAIN (DIN: 07521882) AS NON-EXECUTIVE INDEPENDENT DIRECTOR.**

Voting Instruction : Yes/No

- 4. APPOINTMENT OF MR. RAVINDRANATH KARATI (DIN: 07419535) AS NON-EXECUTIVE DIRECTOR**

Voting Instruction : Yes/No

- 5. RATIFICATION OF COST AUDITORS’ REMUNERATION**

Voting Instruction : Yes/No

- 6. TO APPROVE CONTRIBUTION UNDER COMMUNITY DEVELOPMENT PROGRAM**

You shall not vote on any other matters at the Meeting without the prior written consent of _____ (Director of _____).

For _____

(Director)

KNR TIRUMALA INFRA PRIVATE LIMITED

BOARD'S REPORT

(For Financial Year 2022-23)

To,
The Members,
KNR Tirumala Infra Private Limited

Your Board of Directors are pleased to present the 5th Board's Report of KNR Tirumala Infra Private Limited ("**the Company**") along with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2023.

FINANCIAL SUMMARY AND HIGHLIGHTS ON THE PERFORMANCE OF THE COMPANAY

The company's financial performance for the year ended March 31, 2023, is summarized below. The Financial Results (as per Ind AS) of the company are given as under:

(Amt. in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Revenue	4925.08	28,892.88
Total Expenses (Including finance cost, depreciation and amortization)	6430.95	31276.10
Profit/(Loss) before Exceptional Items and Tax	(1505.87)	(2383.22)
Exceptional Items	-	-
Profit/(Loss) before Tax	(1505.87)	(2383.22)
Tax Expense		
Current Tax	-	-
Deferred Tax	1820.03	-
Profit/(Loss) from the year from continuing operations	(3325.90)	(2383.22)
Other Comprehensive Income	2.63	-
Total Comprehensive Income for the period (Comprising Profit (Loss) and other Comprehensive Income for the period)	(3323.27)	(2383.22)
Earnings Per Share (For Continuing Operations)		
Basic	(464.35)	(332.74)
Diluted	(464.35)	(332.74)

** Previous year figures have been regrouped and/or re-arranged wherever necessary.*

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the year under review, the total revenue of the Company was INR 4925.08 Lakhs against the total revenue of INR 28,892.88 Lakhs in the previous year and the total loss of the Company was INR 3325.90 Lakhs against the total loss of INR 2383.22 Lakhs in the previous year.

BUSINESS OVERVIEW

The Company was incorporated on April 13, 2018, under the Companies Act, 2013, with Corporate Identity Number U45500TG2018PTC123857. It is a Special Purpose Vehicle (SPV) that has been set up to undertake the project of Six Laning of NH-140 from Chittor (Design Km 0.000/ Existing Km. 158.000) to Mallavaram (Design Km 61.128/Existing Km 41.800 of NH 140) (Design Length = 61.128 Km) in the state of Andhra Pradesh under Bharatmala Pariyojna on Hybrid Annuity Mode.

KEY DEVELOPMENTS DURING THE YEAR

During the year under review, the Company has undertaken the following material Corporate Actions:

The Shareholders of the Company approved the adoption of restated Articles of Association of the Company at the Extra-Ordinary General Meeting held on October 28, 2022.

DIVIDEND

In view of the loss incurred by the Company, the Board of Directors do not recommend any dividend for the financial year ended on March 31, 2023.

AMOUNT TRANSFERRED TO RESERVES

The Company has incurred losses during the financial year ended March 31, 2023. Accordingly, no amount was transferred to the Reserves by the Company, during the financial year.

PARTICULARS OF DEPOSITS

During the year under review, the Company has not accepted any deposits under the provisions of the Companies Act, 2013.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the financial year, there is no unpaid/unclaimed dividend which is required to transfer in Investor Education and Protection Fund ("IEPF") as per the provisions of the Companies Act, 2013.

CHANGE IN THE NATURE OF THE BUSINESS

During the year under review there has been no change in the nature of the business of the Company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

Pursuant to the Share Purchase Agreement (“SPA”) executed between the Company, KNR Constructions Limited and Cube Highways and Infrastructure III Pte. Ltd. (“CH-III”), KNR Construction Limited transferred the remaining 3,65,288 (51%) equity shares of the Company to Cube Highways and Infrastructure III Pte. Ltd. (“CH-III”) on October 20, 2022. Consequently, CH-III became the 100% holding of the Company.

DETAILS OF SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANIES OPERATION IN FUTURE

No significant or material orders have been passed by the Regulators or Courts or Tribunal impacting the going concern status and the company’s operation in future.

HOLDING COMPANY

At the beginning of the period under review, 51% and 49% equity shares of the Company were held by KNR Constructions Limited and Cube Highways and Infrastructure III Pte. Ltd., respectively.

However, during the year under review, pursuant to Share Purchase Agreement (SPA) entered between the Company, KNR Constructions Limited and Cube Highways and Infrastructure III Pte Ltd. (“CH-III”) the remaining 3,65,288 (51%) equity shares of the Company were transferred from KNR Constructions Limited to Cube Highways and Infrastructure III Pte. Ltd. on October 20, 2022.

By virtue of above-mentioned transfer, as on March 31, 2023, Cube Highways and Infrastructure III Pte. Ltd. is the 100% holding Company.

DETAILS OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

As on March 31, 2023, the Company does not have any subsidiary, joint venture or associate company. Therefore, the requirement as per Rule 8(1) of the Companies (Accounts) Rules, 2014, of reporting the highlights of performance of subsidiaries, associates and joint venture companies and their contribution to the overall performance of the company during the period under report is not applicable on the Company for the reporting period.

SHARE CAPITAL

AUTHORIZED SHARE CAPITAL:

The Authorized Share Capital of Company is INR 71,63,00,000/- (Indian Rupees Seventy-One Crores and Sixty-Three Lakhs only) divided into 7,16,300 (Seven Lakhs Sixteen Thousand Three Hundred) Equity Shares of face value INR 1000/- (One Thousand) each.

During the year under review, there was no change in the Authorised Share Capital of the Company.

ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL:

The Issued, Subscribed and Paid-up Share Capital of the Company is INR 71,62,50,000 /- (Rupees Seventy-One Crore Sixty-Two Lakhs Fifty Thousand Only) divided into 7,16,250 (Seven Lakhs Sixteen Thousand Two Hundred and Fifty) Equity Shares of INR 1000/- (One Thousand) each.

During the financial year, there was no change in the issued, subscribed, and paid share capital of the Company. However, shareholding of the Company has got changed pursuant to Share Purchase Agreement (SPA) entered between the Company, KNR Constructions Limited and Cube Highways and Infrastructure III Pte Ltd. (“CH-III”) the remaining 3,65,288 (51%) equity shares of the Company were transferred from KNR Constructions Limited to Cube Highways and Infrastructure III Pte. Ltd. on October 20, 2022.

By virtue of above-mentioned transfer, as on March 31, 2023, Cube Highways and Infrastructure III Pte. Ltd. is the 100% holding Company.

As on March 31, 2023, none of the directors of the Company hold any instrument convertible into equity shares of the Company.

DEBENTURES:

OPTIONALLY CONVERTIBLE DEBENTURES

Below is the detail of outstanding Optionally Convertible Debentures (OCDs) as on April 1, 2022:

Sl. No.	Name of the Subscriber	Face Value of OCDs (INR)	No. of OCDs	Amount in INR
1.	Cube Highways and Infrastructure III Pte. Ltd.	100	88,59,500	88,59,50,000

During the year under review, the Board of Directors of the Company approved the redemption 11,34,000 and 45,00,000 Optionally Convertible Debentures by way of passing the circular resolutions on May 11, 2022, and September 30, 2022, respectively. The Company has not issued any further OCDs during the financial year 2022-23.

Accordingly, 32,25,500 OCDs having face value of INR 100/- aggregating amount of INR 32,25,50,000 (Indian Rupees Thirty Two Crores Twenty Five Lakhs Fifty Thousand only) is outstanding as on March 31, 2023.

M/s Bigshare Services Pvt. Ltd. is the Registrar and Transfer Agent for the above mentioned OCDs of the Company.

NON-CONVERTIBLE DEBENTURES

During the year under review the Company had issued and allotted 5,210 Listed, Rated and Secured Non-Convertible Debentures of INR 10,00,000 (Indian Rupees Ten lakh) each aggregating to INR 521,00,00,000 (Indian Rupees Five Hundred Twenty-One Crore Only) on a private placement basis on April 12, 2022, which were listed on the National Stock Exchange of India Limited on April 18, 2022.

As on March 31, 2023, the Company has following outstanding senior, listed, secured, redeemable, non-convertible debentures:

Particulars	Series A	Series B
ISIN	INE01NS07019	INE01NS07027
Number of Debentures	4840	370
Initial face value	INR 10,00,000	INR 10,00,000
Issue Size	4,84,00,00,000	37,00,00,000
Redemption during the year	4,84,00,000	37,00,000
Outstanding amount	INR 4,79,16,00,000	INR 36,63,00,000

Bigshare Services Pvt. Ltd. are the Registrar and Transfer Agent for the above mentioned NCDs of the Company.

The Debenture Redemption Reserve, as required under Section 71(4) of the Companies Act, 2013, has not been created in view of the losses incurred during the financial year.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the financial year the composition of the Board is in compliance of the requirements of the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements Regulation), 2015.

CHANGES IN THE COMPOSITION OF BOARD OF DIRECTORS:

During the year under review, following changes were made in the composition of Board of Directors of the Company.

1. Mr. Jalandhar Reddy Kamidi (DIN: 00434911) and Mr. Kamidi Narasimha Reddy (DIN: 00382412) resigned from the Board of Directors of the Company w.e.f. October 20, 2022.
2. Mr. Bovin Kumar (DIN: 08571658) was appointed as an Additional Director in the category of Non-executive Director on November 12, 2022, and his appointment was regularized by the Shareholders of the Company in the Extra-Ordinary General Meeting held on February 09, 2023.
3. Ms. Pooja Agarwal (DIN: 07365462) was appointed as an Additional Director in the category of

Non-Executive Independent Director on February 14, 2023, and her appointment was regularized by the Shareholders of the Company in the Extra-Ordinary General Meeting held on May 10, 2023.

4. Mr. Jayesh Ramniklal Desai (DIN: 00038123) resigned from the Board of Directors of the Company w.e.f. March 31, 2023.

In addition to the above following changes took place after the year under review:

1. Mr. Akhil Kumar Jain (DIN: 07521882) was appointed as Additional Director in the category of Non-Executive Independent Director of the Company by the Board of Directors in their meeting held on June 29, 2023.
2. Mr. Ravindranath Karati (DIN: 07419535) was appointed as Additional Director in the category of Non-Executive Independent Director of the Company by the Board of Directors in their meeting held on June 29, 2023.
3. Mr. Gaurav Malhotra (DIN: 09422131), Non-Executive Director, resigned from the Board of Directors of the Company w.e.f. August 02, 2023.

The Nomination and Remuneration Committee and the Board of Directors have recommended the appointment of Mr. Akhil Kumar Jain (DIN: 07521882) and Mr. Ravindranath Karati (DIN: 07419535) as a Directors of the Company for approval of the Shareholders at the ensuing Annual General Meeting of the Company.

CHANGES IN THE KEY MANAGERIAL PERSONNEL OF THE COMPANY:

During the year under review, following changes were made in the positions of Key Managerial Personnel of the Company.

1. Mr. Krishna Rao Kankanala was appointed as the Chief Executive Officer (CEO) of the Company with effect from June 29, 2022.
2. Mr. Yendluri Krishna was appointed as the Chief Financial Officer (CFO) of the Company with effect from June 29, 2022.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

That the Independent Directors have complied with the code for Independent Directors prescribed in Schedule IV of this Act.

A separate meeting of Independent Directors wherein all Independent Directors were present during

the FY 2022-23 was held on 07th February 2023 without the attendance of the non-independent Directors and members of management as per the requirement of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015

CODE OF CONDUCT

In compliance with the Listing Regulations and the Companies Act, 2013, the Company has adopted the Code of Conduct and Ethics (“the Code”). The Code is applicable to the members of the Board, the executive officers and all employees of the Company and its subsidiaries. The Code is available on our website, at <https://ktypl.co.in/policies.html>.

All members of the Board, the executive officers and senior officers have affirmed compliance to the Code as on March 31, 2023. A declaration to this effect, signed by the CEO & CFO has been received.

MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors of the Company met 5 (5) times during the financial year 2022-23 viz May 27, 2022, June 29, 2022, August 10, 2022, November 12, 2022, and February 14, 2023. The intervening gaps between two meetings was within the timelines prescribed under Companies Act, 2013 pursuant to the provisions of Companies Act, 2013 and relevant rules framed thereunder and Articles of Association of the Company.

The details of attendance of the Directors of the Company are as under:

Sr. No.	Name of the Directors	Category of Directors	Dates of Board Meetings			Annual General Meeting held on September 12, 2022
			Held	Eligible to Attend	Attended	
1.	Kamidi Narsimha Reddy*	Non-Executive Director	3	3	-	Yes
2.	Kamidi Jalandhar Reddy*	Non-Executive Director	3	3	-	Yes
3.	Mr. Gaurav Malhotra^^	Non-Executive Director	5	5	5	Yes
4.	Mr. Jayesh Ramniklal Desai^	Non-Executive Independent Director	5	5	5	No
5.	Mr. Kapil Nayyar	Non-Executive Independent Director	5	5	5	No
6.	Mr. Bovin Kumar**	Non-Executive Director	1	1	1	N.A.
7.	Ms. Pooja Agarwal#	Non-Executive Director	0	0	0	N.A.

* Mr. Kamidi Narsimha Reddy and Mr. Kamidi Jalandhar Reddy resigned as Directors of the Company w.e.f. October 20, 2022

** Mr. Bovin Kumar was appointed as Director on November 12, 2022.

Ms. Pooja Agarwal was appointed as Director on February 14, 2023.

^ Mr. Jayesh Ramniklal Desai resigned as Director of the Company w.e.f. March 31, 2023.

^^ Mr. Gaurav Malhotra resigned as Director of the Company w.e.f. August 02, 2023.

COMMITTEES OF THE BOARD:

As on March 31, 2023, the Board had three committees: the audit committee, the nomination and remuneration committee and Risk Management Committee. All committees comprise of prescribed number of Independent Directors and Non- Executive Directors. During the year, all recommendations made by the committees were approved by the Board.

AUDIT COMMITTEE:

At the beginning of the year, the Company had in place a duly constituted Audit Committee in terms of Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015. The composition of Audit Committee as on March 31, 2023, is as follows:

Sr. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent director
2.	Mr. Jayesh Raminklal Desai	Member	Independent director
3.	Mr. Gaurav Malhotra	Member	Non- Executive Director

Thereafter, due to resignation of Mr. Jayesh Ramniklal Desai and Mr. Gaurav Malhotra and appointment of Mr. Akhil Kumar Jain and Mr. Ravindranath Karati, the Committee was re-constituted.

The composition of the Committee as on date is as follows:

Sr. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent director
2.	Mr. Akhil Kumar Jain	Member	Independent director
3.	Mr. Ravindranath Karati	Member	Non- Executive Director

During the year under review, 5 (Five) meetings of the Audit Committee were held viz. May 27, 2022, June 29, 2022, August 10, 2022, November 12, 2022, and February 14, 2023.

The Attendance Record of the meeting of Audit Committee for the financial year ended March 31, 2023, is as under:

Sr. No.	Name of the Members	No. of Meetings		
		Held	Eligible to Attend	Attended
1.	Gaurav Malhotra	5	5	5
2.	Jayesh Ramniklal Desai	5	5	5
3.	Kapil Nayyar	5	5	5

All the recommendations made by the Audit Committee during the year were accepted by the Board of Directors of the Company.

NOMINATION AND REMUNERATION COMMITTEE:

At the beginning of the year, the Company had in place a duly constituted Nomination and Remuneration Committee in terms of Section 178 of the Companies Act 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015. The composition of Nomination and Remuneration Committee is as follows:

S. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent Director
2.	Mr. Jayesh Ramniklal Desai	Member	Independent Director
3.	Mr. Gaurav Malhotra	Member	Non-Executive Director

Thereafter, due to resignation of Mr. Jayesh Ramniklal Desai and Mr. Gaurav Malhotra and appointment of Mr. Akhil Kumar Jain and Mr. Ravindranath Karati, the Committee was re-constituted.

The composition of the Committee as on date is as follows:

Sr. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent director
2.	Mr. Akhil Kumar Jain	Member	Independent director
3.	Mr. Ravindranath Karati	Member	Non- Executive Director

During the year under review, 4 (Four) meetings of the Nomination and Remuneration Committee were held viz. May 27, 2022, June 29, 2022, November 12, 2022, and February 14, 2023.

The Attendance Record of the meeting of Nomination and Remuneration Committee for the financial year ended March 31, 2023, is as under:

Sr. No.	Name of the Members	No. of Meetings		
		Held	Eligible to Attend	Attended
1.	Gaurav Malhotra	4	4	4

2.	Jayesh Ramniklal Desai	4	4	4
3.	Kapil Nayyar	4	4	4

NOMINATION AND REMUNERATION POLICY:

This policy lays down framework for selecting, nominating Directors, Key Managerial Personnel (KMPs), Senior Management of the Company and payment of remuneration to them.

The Nomination and Remuneration Policy as approved by the Board is enclosed as **Annexure - I** and is uploaded on the Company's website at. <https://ktypl.co.in/>.

RISK MANAGEMENT COMMITTEE AND POLICY:

The Risk Management Committee was duly constituted in terms of provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 dated June 29, 2022. The composition of Risk Management Committee is as follows:

S. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent Director
2.	Mr. Jayesh Ramniklal Desai	Member	Independent Director
3.	Mr. Gaurav Malhotra	Member	Non-Executive Director

Thereafter, due to resignation of Mr. Jayesh Ramniklal Desai and Mr. Gaurav Malhotra and appointment of Mr. Akhil Kumar Jain and Mr. Ravindranath Karati, the Committee was re-constituted.

S. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent Director
2.	Mr. Jayesh Ramniklal Desai	Member	Independent Director
3.	Mr. Ravindranath Karati	Member	Non-Executive Director

Further during the year under review, no meetings of the Risk Management Committee were held.

RISK MANAGEMENT POLICY

The Company has in place the Risk Management Policy which outlines the programs implemented by the Company to ensure appropriate risk management within its systems and culture. In line with the Company's objective of increasing stakeholder value, this policy attempts to identify the key events/risks impacting the business objectives of the Company and attempts to develop risk policies and strategies to ensure timely evaluation, management, monitoring, and reporting of key business risks.

The scope of the policy is to establish and implement the Company's risk management program and process and ensure its integration with its business strategy. The objective of risk management program is as follows:

- a) To establish a risk management program of the Company;
- b) To help decision makers of the Company take account of the risks and work towards a solution to manage such risks;
- c) To achieve strategic goals and objectives while ensuring appropriate management of risks;
- d) To continuously improve and strengthen the risk management process through risk testing and assessments.

SITTING FEES PAID DURING THE YEAR

Details of Sitting fees paid by the Company for the Board and Committee Meetings held during the financial year 2022-23:

Name of the Director	No. Board Meeting (5)	No. of Audit Committee (5)	No. of Nomination & Remuneration Committee (4)	Total
Mr. Kapil Nayyar	2,00,000	1,00,000	80,000	3,80,000
Mr. Jayesh Ramniklal Desai	2,00,000	1,00,000	80,000	3,80,000
Total	4,00,000	2,00,000	1,60,000	7,60,000

CORPORATE GOVERNANCE

Your Company believes that good corporate governance plays a critical role in establishing a positive organizational culture. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance is part of Board's Report as **Annexure - II**.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the year under review, the Company was not required to incur any Corporate Social Responsibility ("CSR") expenditure, pursuant to the provisions of Section 135(5) of the Companies Act, 2013, as the Company did not have positive average net profits in three immediately preceding financial years.

COMMUNITY DEVELOPMENT PROGRAMME

During the year under review with an objective to integrate communities, living in the catchment area, in the development process to inculcate a sense of inclusiveness and to empower the communities residing along the Project site, the Company had spent INR 18,66,930 for undertaking Community Development Program (CDP) as detailed below:

STAKEHOLDER RELATIONSHIP COMMITTEE

The provision of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the constitution of Stakeholder Relationship Committee is on explain or comply basis till March 31, 2024. The Company is in the process setting up of Stake holder relationship Committee.

STATUTORY AUDITORS OF THE COMPANY:

M/s. M.K. Dandeker & Co. LLP, Chartered Accountants, (ICAI Firm Registration number 000679S) were appointed as Statutory Auditors of the Company on October 28, 2019, for a term of 5 years from conclusion of the first Annual General Meeting (“AGM”) until the conclusion of sixth AGM of the Company.

The Company received a letter of resignation from M/s. M.K. Dandeker & Co. LLP. (ICAI Firm Registration number 000679S) as Statutory Auditors of the Company w.e.f. close of business hours on May 15, 2023.

Pursuant to the provisions of Section 139 (8) the board of Directors recommended the appointment of M/s. S B Billimoria & Co., Chartered Accountants (Firm Registration No. 101496W/W-100774), as Statutory Auditor, for approval by the shareholders of the Company at the ensuing Annual General Meeting of the Company to hold office as Statutory Auditors from the date of their consent letter for a period of 5 years commencing from FY 2023-24.

AUDITORS REPORT:

The report given by the Auditors on the Standalone Financial Statements of the Company for the year ended March 31, 2023, forms part of this Annual Report. The Auditor’s comments on the Company’s account are self-explanatory in nature and do not require any explanation and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their reports.

The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Companies Act, 2013 and therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Companies Act, 2013.

COST AUDITOR

As per Section 148 of the Companies Act, 2013, the Company is required to maintain the cost records as specified by the Central Government and get the same audited by a cost accountant in practice. The Company has made proper accounts and records in this regard.

In this regard, the Board of Directors had approved the appointment of M/s V.J. Talati & Co. as the Cost Auditor at the Board Meeting held on June 29, 2022, to conduct the audit of cost records of the Company for the Financial Year 2022-23.

Further, the Board of Directors of the Company had approved the appointment of M/s V.J. Talati &

Co., Cost Auditors (FRN: 00213) at the Board Meeting held on June 29, 2023, to conduct the audit of cost records of the Company for the Financial Year 2023-24. As per the provisions of the Act, the remuneration payable to the Cost Auditors is required to be placed before the members in general meeting for ratification. Accordingly, the Board seeks members' ratification for remuneration payable to the Cost Auditors for the 2023-24 at the ensuing Annual General Meeting.

INTERNAL AUDITORS OF THE COMPANY:

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on February 10, 2023, appointed KPMG Assurance and Consulting Services LLP (KPMG) as the Internal Auditors of the Company for the financial year 2022-23 to audit/ review the following processes:

- a) Entity level controls
- b) Information technology general controls
- c) Fixed assets
- d) Repair & Maintenance expense & Safety
- e) Toll revenue
- f) Payroll
- g) Treasury
- h) Procurement & Contracting
- i) Taxation – Direct & Indirect
- j) Statutory Compliance
- k) Book Closure

SECRETARIAL AUDIT AND SECRETARIAL AUDITORS REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Company is required to enclose with its Board's Report, a report from the Secretarial Auditor of the Company. In this connection M/s GSK & Associates were appointed as the Secretarial Auditors for FY 2022- 23, by the Board of Directors of the Company.

Secretarial Auditor's report for the financial year ended March 31, 2023, does not contain any qualification, reservation or adverse remark, except as given below:

The Company has delayed in giving prior intimation of one of the Board Meeting under Regulation 50(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to National Stock Exchange of India Limited (NSE) and for such delay a fine of Rs. 5,900 was duly paid by the Company to the exchange. The same was informed to the Board in the subsequent meeting and recommendation of the Board were intimated to the Stock Exchange.

The report of the Secretarial Auditor is enclosed as '**Annexure-III**' to this Report.

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES:

The contracts or arrangements entered by the Company during the Financial Year under review with related parties were in the ordinary course of business and on arm's length basis, if any.

Further, pursuant to Regulation 53(f) of (Listing Obligation and Disclosure Requirement) Regulations, 2015 disclosure of Related party as per para - A of Schedule V is enclosed as **Annexure - IV**.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the financial year, the Company has not made any investment nor given any loan/guarantees/provided security in connection with a loan granted to any person or body corporate in terms of Section 186 of the Companies Act, 2013.

Further, since the Company is an Infrastructure Company, the provisions of Section 186 of the Companies Act, 2013 and relevant rules framed thereunder are not applicable.

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information pursuant to Section 134(3) of the Companies Act, 2013 read with rule 8 to the Companies (Accounts) Rules, 2014 related to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are mentioned below:

(A) CONSERVATION OF ENERGY:

i. Steps taken for conservation of energy and its impact	Construction of Fabrication Yard for Inhouse fabrication of road furniture from scrap material & Development of nursery for plantation
ii. Steps taken for utilizing alternate sources of Energy	Nil
iii. Capital investment on energy conservation equipment	Nil

(B) TECHNOLOGY ABSORPTION:

The Company is constantly updating its technology in the areas, wherever necessary, for improving the productivity, efficiency, and quality of its performance.

i. Efforts made towards technology absorption	Guided and coordinated with the site team to refabricate and reuse road furniture such as sign boards, PGR, etc., to prevent them from becoming scrap
ii. Benefits derived	<ul style="list-style-type: none"> • Cost reduction • Reduce issue rectification time. • Reuse of existing damaged material

	<ul style="list-style-type: none"> • Reduced dependency on material procurement • Environment sustainability
iii. In case of import technology: <ul style="list-style-type: none"> ✓ Details of technology imported ✓ Year of import ✓ Whether the technology been fully absorbed ✓ Areas where absorption of imported technology has not taken place and the reasons thereof 	N.A.
iv. Expenditure incurred on Research and Development	By inhouse Routine Maintenance team without any additional cost

(C) FOREIGN EXCHANGE EARNINGS/ OUTGO:

Earning	Nil
Outgo	Nil

FORMAL ANNUAL PERFORMANCE EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance and individual directors pursuant to the provisions of the Act.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

INTERNAL FINANCIALS CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place the adequate policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The Company's internal financial control systems are commensurate with the nature, size and complexities of its operations. These systems are regularly reviewed by the statutory and internal auditors along with the management.

VIGIL MECHANISM POLICY

The Company has in place, proper vigil mechanism for directors, employees and third-party personnel to report their concerns or grievances to the Chairperson of the Audit Committee, in terms

of Regulation 22 of SEBI (LODR) Regulation 2015 and Section 177 of Companies Act, 2013 and read with Rule 7 of the Companies (Meetings of Board and its Power) Rules, 2014. The Chairperson of the Audit Committee has been assigned the monitoring duty to ensure the effectiveness of this mechanism throughout the Year.

The Company conducts its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity, and ethical behaviour. The Company's Vigil Mechanism/ Whistle Blower Policy has been formulated with an overall objective to encourage reporting of concerns without fear of retaliation.

In case of any complaints or concerns, the Board is empowered to take suitable action in consultation with the Chairperson of the Audit Committee of the Company.

SECRETARIAL STANDARDS:

During the financial year, the Company has complied with the applicable Secretarial Standards i.e., SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

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

The Company is committed to provide a safe and dignified work environment to its employees which is free of discrimination, intimidation and abuse.

The Company has in place a Policy on Prevention of Sexual Harassment of Women at Workplace in lines with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Objective of this Policy is to provide protection against sexual harassment of Women at Workplace and for the redressal of the Complaints of any such harassment.

The Company has also constituted an Internal Committee (IC), which as on the date of this report consists of Ms. Vasundhara Peddapalle (Presiding Officer), Ms. Meetali Chopra, Ms. Smita Tandon, Mr. Sanjay Kumar, and Mr. Kankanala Krishna Rao as its members.

Your directors further state that during the year under review, no case was filed, or complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

PARTICULARS OF EMPLOYEES AND OTHER ADDITIONAL INFORMATION:

The disclosure requirement pursuant to the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- i. that in the preparation of the Annual Accounts for the Financial Year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of Profit and Loss Account of the Company for that period;
- iii. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. that the Directors have prepared the Annual Accounts for the Financial Year ended on March 31, 2023, on a going concern basis;
- v. that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR AND THEIR STATUS AS AT THE END OF THE YEAR:

No application was made, or any proceedings was pending under the Insolvency and Bankruptcy Code, 2016 during the Year under review.

DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

This provision is not applicable on the Company.

DEBENTURE TRUSTEE OF THE COMPANY

Catalyst Trusteeship Limited
Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina,
Santacruz (East), Mumbai – 400098

+91-022-49220555/ ComplianceCTL-Mumbai@ctltrustee.com
www.catalysttrustee.com

CREDIT RATINGS

During the financial year under review, on March 20, 2023, Crisil Ratings Limited reaffirmed the current rating of the company i.e., AAA (Stable).

ANNUAL RETURN

Pursuant to the provisions of section 92 of the Companies Act, 2013, the Company has placed a copy of the Annual Return as of March 31, 2023, on its website at www.ktipl.co.in.

ACKNOWLEDGEMENTS:

The Board takes this opportunity to record its sincere appreciation for the dedicated services rendered by employees at all levels. We would like to express our grateful appreciation for the assistance and support extended by the Reserve Bank of India, Banks, Stakeholders, National Stock Exchange, Clients, Auditors, all other government & semi government authorities and other business associates.

For and on the behalf of Board of Directors

Sd/

Bovin Kumar

Director

DIN: 08571658

**Address: NGM 191, DLF New Town Heights,
Sector-90, Hayatpur 114 Wazirpur,
Gurugram 122505**

Sd/

Ravindranath Karati

Director

DIN: 07419535

**Address: Flat No. A-2, 2nd Floor, Sri Sathya
Sai Appt., H. No. 8-2-293/K/309&310,
Kamalapuri Cny, Phase-III, Hyderabad,
Telangana-500072**

Date: 04-August 2023

Noida: Noida

KNR TIRUMALA INFRA PRIVATE LIMITED

**NOMINATION AND REMUNERATION
POLICY**

CONTENTS

S. No.	Heading	Page No.
1	Introduction	
2	Objectives	
3	Definitions	
4	Role of Committee	
5	Membership	
6	Chairman	
7	Frequency of Meetings	
8	Committee members' interests	
9	Secretary	
10	Voting	
11	Policy on Board Diversity	
12	Remuneration Policy	
13	Evaluation / Assessment of Directors of the Company	
14	Disclosure	
15	Minutes of Committee Meeting	
16	Deviations from this policy	
17	Reference Document	

1. INTRODUCTION

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 read with Part D of Schedule II of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“**SEBI Listing Regulations**”).

2. OBJECTIVES

- a) to formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non- Executive)
- b) to advise the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- c) to formulate criteria for evaluation of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- d) to recommend to the Board on remuneration (payable in whatever form) of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees.
- e) to devise a Policy on Board Diversity.
- f) to determine whether to extend or continue the term of appointment of the Independent Director(s), on the basis of the report of performance evaluation of Independent Directors.

3. DEFINITIONS

(a)	Act	The Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
(b)	Board	Board of Directors of the Company.
(c)	Key Managerial Personnel (KMP)	In relation to a Company as defined under Section 2(51) of the Companies Act, 2013 and would include— (i) Chief Executive Officer or the Managing Director or the Manager; (ii) Company Secretary; (iii) Whole-time Director; (iv) Chief Financial Officer; and (v) Other officer as may be prescribed.
(d)	Senior Management	Personnel of the Company who are one level below the executive directors. For the purpose of clarity, this includes CEO, COO, CTO, CFO, if any.
(e)	Independent Director	A director referred to in Section 149(6) of the Act.

4. ROLE OF COMMITTEE

The role of the Committee inter-alia will be the following:

- 4.1 To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- 4.2 To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration (payable in whatever form) of the Directors, Key Managerial Personnel and other employees.
- 4.3 To determine whether to extend or continue the term of appointment of the Independent Director(s), on the basis of the report of performance evaluation of Independent Directors.
- 4.4 The Committee shall ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- 4.5 The Committee shall ensure that the remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
- 4.6 Regularly review the Human Resource functions of the Company and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
- 4.7 To devise a policy on Board Diversity
- 4.8 Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time and make reports to the Board as appropriate.
- 4.9 Such other work and policy related and incidental to the objectives of the committee as per provisions of the Companies Act 2013 and rules made there under.

5. MEMBERSHIP

- a) The Committee shall consist of a minimum 3 non-executive directors, out of which not less than one-half shall be independent directors.
- b) Chairperson of the Committee shall be an Independent Director. However, the Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.
- c) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

6. CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.

- b) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- c) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member or any other Director to answer the shareholders' queries.

7. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required but shall meet at least once a year.

8. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

10. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

11. POLICY ON BOARD DIVERSITY

The Nomination and Remuneration Committee shall ensure that Board of Directors have the combination of Directors from different areas / fields or as may be considered appropriate in the best interest of the Company. The Board shall have at least one Board member who has accounting / financial management expertise.

12. Remuneration Policy

❖ Remuneration to Executive Directors:

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required.

The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

❖ **Remuneration to Non-Executive Directors:**

The Non-Executive Directors are paid remuneration by way of Sitting Fees and Commission. The Non-Executive Directors are paid sitting fees for each meeting of the Board and Committee of Directors attended by them.

13. EVALUATION / ASSESSMENT OF DIRECTORS OF THE COMPANY

The evaluation/assessment of the Directors, of the Company is to be conducted on an annual basis on basis of "Board and Independent Director Evaluation Policy". Forms for evaluation are available along with the same policy document.

The following criteria may assist in determining how effective the performances of the Directors have been:

- ✓ Contributing to clearly defined corporate objectives & plans
- ✓ Obtain adequate, relevant & timely information from external source
- ✓ Review of strategic and operational plans, objectives and budgets
- ✓ Regular monitoring of corporate results against projections
- ✓ Identify, monitor & take steps for mitigation of significant corporate risks
- ✓ Assess policies, structures & procedures
- ✓ Review management's succession plan
- ✓ Effective meetings
- ✓ Assuring appropriate board size, composition, independence, structure
- ✓ Clearly defining roles & monitoring activities of committees

Additionally, for the evaluation/assessment of the performances of Managing Director(s)/Whole Time Director(s) of the Company, following criteria may also be considered:

- ✓ Leadership abilities
- ✓ Communication of expectations & concerns clearly with subordinates
- ✓ Direct, monitor & evaluate KMPs, senior officials

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director /Non-Independent Directors along with the Independent Directors will evaluate /assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

14. DISCLOSURE

The Remuneration policy and the evaluation criteria shall be disclosed in the Board's Report.

15. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be documented and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

16. DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case. However, this shall be subject to the approval of Board of Directors on the recommendation of Nomination and Remuneration Committee of the Company.

17. REFERENCE DOCUMENT

KTIPL's Board and Independent Director Evaluation Policy

REPORT ON CORPORATE GOVERNANCE**1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate governance implies the way in which a company is managed to ensure that all of its stakeholders get their fair share in its earnings and assets and disclosure of all material information. Good corporate governance involves the commitment of a company to run its businesses in a legal, ethical and transparent manner. Corporate Governance involves a set of relationships between a company's management, its Board, its shareholders and other stakeholders. Corporate Governance also provides the structure through which the objectives of the company are set and the means of attaining those objectives and monitoring.

KNR Tirumala Infra Private Limited is committed to conduct business using highest standards of governance, ethics, and integrity. The Company focuses on following the best practices. The governance standards are benchmarked globally, and we strive to adopt the emerging best practices being followed worldwide.

2. BOARD OF DIRECTORS**i. COMPOSITION OF THE BOARD OF DIRECTORS**

During the financial year ended March 31, 2023, the composition of the Board was in compliance with the requirements of the Companies Act, 2013 and applicable provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements Regulation), 2015. As on 31st March 2023, there were 4 (Four) Directors on the Board of the Company including 1 (One) Independent Director. All the directors on the Board were Non- Executive Directors.

Mr. Jayesh Desai, (DIN: 00038123) Non-Executive Independent Director, resigned from the Board of Directors of the Company, w.e.f. close of Business hours of March 31, 2023.

In order to fill the casual vacancy caused by the resignation of Mr. Desai, Mr. Akhil Kumar Jain (DIN: 07521882) was appointed as an Additional Director in the category of Non-Executive Independent Director of the Company by the Board of Directors in their meeting held on June 29, 2023, with immediate effect.

Mr. Ravindranath Karati (DIN: 07419535) was appointed as an Additional Director in the category of Non-Executive Independent Director of the Company by the Board of Directors in their meeting held on June 29, 2023, with immediate effect.

Mr. Gaurav Malhotra (DIN: 09422131), Non-Executive Director, resigned from the Board of Directors of the Company w.e.f. August 02, 2023.

The details of attendance, number of other Directorships and Chairmanship/Membership of Committees of each Director as on 31st March 2023 is detailed as under:

Name and Designation of the Director	No. of Board Meetings attended during the Tenure	Attendance at last Annual General Meeting	Directorships held in Other Companies as on 31st March, 2023	Names of other listed entities where the person is a Director along with the category of Directorship as on 31st March, 2023	Committee Membership in other Companies as on 31st March, 2023	Chairperson of Committees of other Companies as on 31st March, 2023
Mr. Gaurav Malhotra (Chairman)	5	Yes	5	-	-	-
Mr. Kapil Nayyar (Director)	5	No	4	-	-	-
Mr. Bovin Kumar Director Appointed w.e.f. November 12, 2022	1	N.A.	4	-	-	-
Ms. Pooja Agarwal (Director) Appointed w.e.f. February 14, 2023	-	N.A.	4	-	-	-
Mr. Jayesh Ramniklal Desai (Director) Resigned w.e.f. March 31, 2023	5	No	-	-	-	-
Kamidi Narsimha Reddy (Director) resigned w.e.f. October 20, 2022	No	Yes	-	-	-	-

Kamidi Jalandhar Reddy	No	Yes	-	-	-	-
------------------------------	----	-----	---	---	---	---

ii. MEETING DETAILS

The Board of Directors of the Company met 5 (5) times during the financial year 2022-23 viz May 27, 2022, June 29, 2022, August 10, 2022, November 12, 2022, and February 14, 2023. The intervening gaps between two meetings was within the timelines prescribed under Companies Act, 2013 pursuant to the provisions of Companies Act, 2013 and relevant rules framed thereunder and Articles of Association of the Company.

iii. INDEPENDENT DIRECTORS MEETING

A separate meeting of Independent Directors wherein all Independent Directors were present during the FY 2022-23 was held on 07th February 2023 without the attendance of the non-independent Directors and members of management as per the requirement of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015

3. COMMITTEES OF THE BOARD

As on March 31, 2023, the Board had three committees: the audit committee, the nomination and remuneration committee and Risk Management Committee. All committees comprise of optimum combination of Independent Directors and Non- Executive Directors. During the year, all recommendations made by the committees were approved by the Board.

A. AUDIT COMMITTEE:

i. Terms of Reference

The terms of reference of the Audit Committee are in accordance with the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 for Corporate Governance and as amended from time to time. The Audit Committee is vested with the following roles and responsibilities:

- Providing recommendation for appointment, remuneration and terms of appointment of Auditors of the Company
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon
- approval or any subsequent modification of transactions of the company with related party
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters.
- Any other responsibility may be assigned by the Board from time to time.

ii. Composition

At the beginning of the year, the Company had in place a duly constituted Audit Committee in terms of Section 177 of the Companies Act 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015. The composition of Audit Committee as on March 31, 2023, is as follows:

Sr. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent director
2.	Mr. Jayesh Raminklal Desai	Member	Independent director
3.	Mr. Gaurav Malhotra	Member	Non- Executive Director

Thereafter, due to resignation of Mr. Jayesh Ramniklal Desai and Mr. Gaurav Malhotra and appointment of Mr. Akhil Kumar Jain and Mr. Ravindranath Karati, the Committee was re-constituted.

The composition of the Committee as on date is as follows:

Sr. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent director
2.	Mr. Akhil Kumar Jain	Member	Independent director
3.	Mr. Ravindranath Karati	Member	Non- Executive Director

During the year under review, 5 (Five) meetings of the Audit Committee were held viz. May 27, 2022, June 29, 2022, August 10, 2022, November 12, 2022, and February 14, 2023.

The Attendance Record of the meeting of Audit Committee for the financial year ended March 31, 2023, is as under:

Sr. No.	Name of the Members	No. of Meetings		
		Held	Eligible to Attend	Attended
1.	Gaurav Malhotra	5	5	5
2.	Jayesh Ramniklal Desai	5	5	5
3.	Kapil Nayyar	5	5	5

All the recommendations made by the Audit Committee during the year were accepted by the Board of Directors of the Company.

B. NOMINATION AND REMUNERATION COMMITTEE

i. Terms of Reference

The role of Nomination and Remuneration Committee is as per Regulation 19 of **SEBI (Listing Obligation and Disclosure Requirement)** Regulations, 2015 read with Part D of Schedule II of said regulation, the Companies Act, 2013.

ii. Composition

At the beginning of the year, the Company had in place a duly constituted Nomination and Remuneration Committee in terms of Section 178 of the Companies Act 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015. The composition of Nomination and Remuneration Committee is as follows:

S. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent Director
2.	Mr. Jayesh Ramniklal Desai	Member	Independent Director
3.	Mr. Gaurav Malhotra	Member	Non-Executive Director

Thereafter, due to resignation of Mr. Jayesh Ramniklal Desai and Mr. Gaurav Malhotra and appointment of Mr. Akhil Kumar Jain and Mr. Ravindranath Karati, the Committee was re-constituted.

The composition of the Committee as on date is as follows:

Sr. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent director
2.	Mr. Akhil Kumar Jain	Member	Independent director
3.	Mr. Ravindranath Karati	Member	Non- Executive Director

During the year under review, 4 (Four) meetings of the Nomination and Remuneration Committee were held viz. May 27, 2022, June 29, 2022, November 12, 2022, and February 14, 2023.

The Attendance Record of the meeting of Nomination and Remuneration Committee for the financial year ended March 31, 2023, is as under:

Sr. No.	Name of the Members	No. of Meetings		
		Held	Eligible to Attend	Attended
1.	Gaurav Malhotra	4	4	4
2.	Jayesh Ramniklal Desai	4	4	4

3.	Kapil Nayyar	4	4	4
----	--------------	---	---	---

iii. Performance Evaluation of Board

The Board of Directors has carried out an annual evaluation of its own performance and individual directors pursuant to the provisions of the Act.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

C. RISK MANAGEMENT COMMITTEE

i. Composition

The Risk Management Committee was duly constituted in terms of provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 dated June 29, 2022. The composition of Risk Management Committee is as follows:

S. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent Director
2.	Mr. Jayesh Ramniklal Desai	Member	Independent Director
3.	Mr. Gaurav Malhotra	Member	Non-Executive Director

Thereafter, due to resignation of Mr. Jayesh Ramniklal Desai and Mr. Gaurav Malhotra and appointment of Mr. Akhil Kumar Jain and Mr. Ravindranath Karati, the Committee was re-constituted.

S. No.	Directors	Position	Category
1.	Mr. Kapil Nayyar	Chairman	Independent Director
2.	Mr. Jayesh Ramniklal Desai	Member	Independent Director
3.	Mr. Ravindranath Karati	Member	Non-Executive Director

Further during the year under review, no meetings of the Risk Management Committee were held.

D. STAKEHOLDERS RELATIONSHIP COMMITTEE

The provision of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the constitution of Stakeholder Relationship Committee is on explain or comply basis till March 31, 2024. The Company is in the process setting up of Stake holder relationship Committee.

4. REMUNERATION OF DIRECTORS: The Company does not have any executive directors on the Board. The composition of the Board of Directors comprises of Non- Executive Directors only. Accordingly, no remuneration is paid to Directors of the Company.

As per the approval of the Board of Directors of the Company, the Non- Executive Independent Directors are paid a sitting fee @ INR 40,000 for attending the Board meetings and @INR 20,000 for attending the meeting of the Committee of Directors.

Details of Sitting fees paid by the Company for the Board and Committee Meetings held during the financial year 2022-23:

Name of the Director	No. Board Meeting (5)	No. of Audit Committee (5)	No. of Nomination & Remuneration Committee (4)	Total
Mr. Kapil Nayyar	2,00,000	1,00,000	80,000	3,80,000
Mr. Jayesh Ramniklal Desai	2,00,000	1,00,000	80,000	3,80,000
Total	4,00,000	2,00,000	1,60,000	7,60,000

5. GENERAL BODY MEETINGS

i. location and Time – last Three AGMs

Financial Year	2019-20	2020-21	2021-22
AGM	2 nd	3 rd	4 th
Date & Time	26.09.2020	27.09. 2021	12.09.2022
Venue	KNR House, 4 th Floor, Plot No. 114, Phase-I, Kavuri Hills, Hyderabad - 500033	KNR House, 4 th Floor, Plot No. 114, Phase-I, Kavuri Hills, Hyderabad - 500033	KNR House, 4 th Floor, Plot No. 114, Phase-I, Kavuri Hills, Hyderabad - 500033
Special Resolution passed	-	-	-
Details	-	-	-

ii. Postal Ballot: Not Applicable

6. MEANS OF COMMUNICATION

Timely disclosure of relevant and reliable information on financial performance is at the core of good governance. Towards this end, major steps taken were as under:

Quarterly results: The quarterly unaudited financial results and audited yearly financial results of the Company are announced within stipulated period. The results are published in leading newspapers like Financial Express. Further, these are also hosted on the website of the Company at <https://ktiplt.co.in/financialinformation.html>.

7. GENERAL SHAREHOLDER INFORMATION

- **Forthcoming Annual General Meeting (AGM):** 05th Annual General Meeting of the Company is scheduled for Thursday, the 10th day of August 2023, at 11.30 a.m.
- **Dividend details:** In view of the loss incurred by the Company, the Board of Directors do not recommend any dividend for the financial year ended on March 31, 2023.
- **Stock Exchange, Address and Security details**

Stock Exchange and Address	Security	Security Code	ISIN
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	Non-Convertible Debentures	KNRT35, KNRT35A	INE01NS07019 (Series-A)
			INE01NS07027 (Series-B)

- Market price data: **The Non-Convertible Debentures were not traded during the financial year ended March 31, 2023.**
- performance in comparison to broad-based indices such as BSE sensex, CRISIL Index etc: **The Non-Convertible Debentures were not traded during the financial year ended March 31, 2023.**
- In case the securities are suspended from trading, the directors report shall explain the reason thereof: **The securities have not been suspended from trading, hence this is not applicable on us.**
- Registrar to an issue and share transfer agents: **Bigshare Services Private Limited**
- share transfer system: **The Securities of the Company are in Demat form.**
- distribution of shareholding: **Not Applicable**
- Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity: **Not Applicable**
- Commodity price risk or foreign exchange risk and hedging activities: **Not Applicable**
- Site locations: **Flat No. 205, Tejasree Apartments, Raghunath Resorts Thanapalli Road, Tirupati Rural, Chittoor, Andhra Pradesh, 517507**
- Address for correspondence:

KNR Tirumala Infra Private Limited
Unit No.1901, 19th Floor, Tower B, World Trade Tower, Plot No.C-1,

Sector 16, Noida-201301 (UP)
Phone: 0120-4868324
Website: www.ktipl.co.in
Email: compliance@ktiplt.co.in

- **Credit Rating:** During the financial year under review, on March 20, 2023, Crisil Ratings Limited reaffirmed the current rating of the company i.e. AAA (Stable).

8. DISCLOSURES

- during the year under review, the Company has delayed in giving prior intimation of one of the Board Meeting under Regulation 50(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to National Stock Exchange of India Limited (NSE) and for such delay a fine of Rs. 5,900 was duly paid by the Company to the exchange.
- The Company has in place, proper vigil mechanism for directors, employees and third-party personnel to report their concerns or grievances to the Chairperson of the Audit Committee, in terms of Regulation 22 of SEBI (LODR) Regulation 2015 and Section 177 of Companies Act, 2013 and read with Rule 7 of the Companies (Meetings of Board and its Power) Rules, 2014. The Chairperson of the Audit Committee has been assigned the monitoring duty to ensure the effectiveness of this mechanism throughout the Year. During the year under review no person has been denied access to the audit committee
- a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed to this report.

9. COMPLIANCE CERTIFICATE

The Certificate from the M/s. GSK & Associates, Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V (E) of the SEBI (LODR) Regulations, 2015 Corporate Governance, is annexed to this Report.

For and on the behalf of Board of Directors

**Sd/
Bovin Kumar
Director
DIN: 08571658
Address: NGM 191, DLF New Town Heights,
Sector-90, Hayatpur 114 Wazirpur,
Gurugram 122505**

**Date: 04-August-2023
Place: Noida**

**Sd/
Ravindranath Karati
Director
DIN: 07419535
Address: Flat No. A-2, 2nd Floor, Sri Sathya
Sai Appt., H. No. 8-2-293/K/309&310,
Kamalapuri Cny, Phase-III, Hyderabad,
Telangana-500072**



GSK & Associates
Company Secretaries

Off :- 10/437, Khalasi Line, Kanpur-208001

E-Mail:- cssaket.associates@gmail.com

Mob :- +919935388977

Certificate on Corporate Governance

To
The Members of
KNR Tirumala Infra Private Limited
3rd Floor, GMR Aero Towers 2, Mamidipally Village,
Saroor Nagar Mandal, Rangareddy, Hyderabad,
Telangana- 500108

1. We have examined the compliance of conditions of Corporate Governance by KNR Tirumala Infra Private Limited ('the Company'), for the year ended 31st March 2023, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.




Opinion

5. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2023.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Restrictions on use

6. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For GSK & Associates
(Company Secretaries)

FRN: P2014LPC058900



Khushboo Gupta

Partner

M. No.: F7243

CP No.: 7886

PR No: 2072/2022

UDIN: F007243E000710550

Date: 31.07.2023

Place: New Delhi



GSK & Associates
Company Secretaries

Off :- 10/437, Khalasi Line, Kanpur-208001

E-Mail:- cssaket.associates@gmail.com

Mob :- +919935388977

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

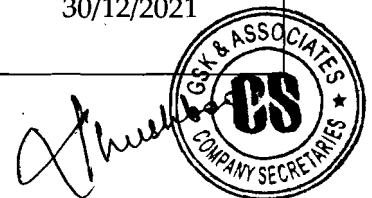
(Pursuant to Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

To
The Members of
KNR Tirumala Infra Private Limited
3rd Floor, GMR Aero Towers 2, Mamidipally Village,
Saroor Nagar Mandal, Rangareddy, Hyderabad,
Telangana- 500108

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **KNR Tirumala Infra Private Limited** having CIN: U45500TG2018PTC123857 and having registered office at **3rd Floor, GMR Aero Towers 2, Mamidipally Village, Saroor Nagar Mandal, Rangareddy, Hyderabad, Telangana- 500108** (hereinafter referred to as 'the company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Designation	Date of Appointment in Company
1.	Gaurav Malhotra	09422131	Director	30/12/2021
2.	Kapil Nayyar	00004058	Independent Director	30/12/2021



3.	Bovin Kumar	08571658	Director	12/11/2022
4.	Pooja Agarwal*	07365462	Additional Director	14/02/2023

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which management has conducted the affairs of the Company.

***Note:**

Ms. Pooja Agarwal has been regularised as Director (Non-Executive) of the Company in the Extra Ordinary General Meeting held on 10th May, 2023.

**For GSK & Associates
(Company Secretaries)**

FRN: P2014UPH36000



**Khushboo Gupta
Partner**

M. No.: F7243

CP No.: 7886

PR No: 2072/2022

UDIN: F007243E000710484

Date: 31.07.2023

Place: New Delhi



GSK & Associates
Company Secretaries

Off :- 10/437, Khalasi Line, Kanpur-208001

E-Mail:- cssaket.associates@gmail.com

Mob :- +919935388977

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED 31st MARCH, 2023

[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
KNR Tirumala Infra Private Limited
3rd Floor, GMR Aero Towers 2, Mamidipally Village,
Saroor Nagar Mandal, Rangareddy, Hyderabad,
Telangana- 500108

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by KNR Tirumala Infra Private Limited (CIN: U45500TG2018PTC123857) (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

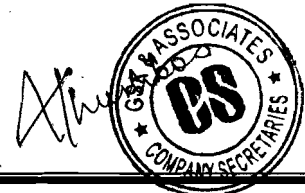
Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended on 31st March, 2023 according to the provisions of:



I.

- The Companies Act, 2013 (the Act) and the rules made thereunder.
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder.
- Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- 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;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company);**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company);**
 - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
 - f. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company);**



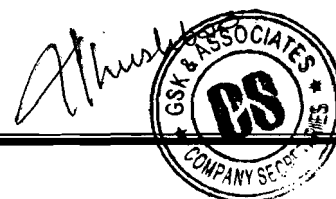
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period); and
- i. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015; as amended from time to time

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, etc. as amended from time to time, mentioned above.

II.

- Indian Stamp Act 1899
- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974;
- Forest Conservation Act, 1980
- Hazardous Wastes (Management and Handling) Rules, 1989;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- Foreign Corrupt Practices Act, 1977 of United States of America
- Prevention of Corruption Act, 1988
- The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (including The Employees' Pension Scheme, 1995 and Employees' Deposit-linked Insurance Scheme, 1976)
- Minimum Wages Act, 1948
- The Payment of Wages Act, 1936
- Payment of Bonus Act, 1965
- The Maternity Benefit Act, 1961
- The Payment of Gratuity Act, 1972
- The Contract Labour (Regulation and Abolition) Act, 1970
- Contract Act, 1872
- Negotiable Instruments Act, 1881
- Income Tax Act, 1961

During the year under review the Company has filed periodical return and has not received any show cause notice and has generally complied with the provisions of the



Act, Rules, Regulations, Guidelines, Standards, etc. as amended from time to time, mentioned above.

We have relied on the representation made by the Company and its officers on systems and mechanism formed by the Company for compliance under other Act, Laws and Regulations to the Company.

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

- a. Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Central Government.
- b. The Listing Agreements entered into by the Company with National Stock Exchange of India Limited.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year 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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.


Majority decision is carried through while there has been no member dissenting from the decisions arrived.

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

We further report that during the year under review:

- The Board of Directors have allotted 5210 Non- Convertible Debentures (Series A- 4840 and Series B-370) having face value of Rs. 10,00,000 (Rupees Ten Lakh Only) each aggregating to Rs. 5,21,00,00,000 (Rupees Five Hundred Twenty-One

Handwritten signature



Crore Only) on a Private Placement Basis through resolution passed by circulation on 12th April, 2022. The Non- Convertible Debentures of the Company got listed on National Stock Exchange w.e.f 18th April, 2022.

- The Board of Directors have redeemed 11,34,000 Optionally Convertible Debentures (OCDs) issued to Cube Highways and Infrastructure III Pte. Ltd. at a value of Rs.100 each through resolution passed by circulation on 12th April, 2022.
- The Board of Directors appointed Mr. Yendluri Krishna as Chief Financial Officer of the Company w.e.f. 29th June, 2022.
- The Board of Directors appointed Mr. Krishna Rao Kankanala as Chief Executive Officer of the Company w.e.f. 29th June, 2022.
- The Board of Directors have redeemed 45,00,000 Optionally Convertible Debentures (OCDs) issued to Cube Highways and Infrastructure III Pte. Ltd. at a value of Rs.100 each through resolution passed by circulation on 29th September, 2022.
- Pursuant to Share Purchase Agreement dated 11th February, 2019, KNR Constructions Limited has transferred 51% Equity Shares of the Company to Cube Highways and Infrastructure III Pte. Ltd. which was approved by the Board through circulation on 20th October, 2022. Consequent upon acquisition, the Company became wholly owned Subsidiary of Cube Highways and Infrastructure III Pte. Ltd.
- Mr. Kamidi Narsimha Reddy (DIN: 00382412) and Mr. Jalandhar Reddy Kamidi (DIN: 00434911) resigned from the post of directorship of the Company w.e.f 20th October, 2022.
- The Board of Directors have approved and adopted the Restated Articles of Association through circulation on 20th October, 2022, subject to Shareholders' approval which was obtained on 28th October, 2022.
- The Board of Directors have appointed Mr. Bovin Kumar (DIN: 08571658) as an Additional Director (Non- Executive) on 12th November, 2022. Later he was regularized as Director of the Company in the Extra- Ordinary General Meeting held on 09th February, 2023.



- The Board of Directors have appointed Ms. Pooja Agarwal (DIN: 07365462) as an Additional Director (Non- Executive) on 14th February, 2023.
- Mr. Jayesh Ramniklal Desai (DIN: 00038123) resigned from the post of Independent Director of the Company w.e.f 31st March, 2023.

We further report that during the year under review, the Company has delayed in giving prior intimation of one of the Board Meetings under Regulation 50(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to National Stock Exchange of India Limited (NSE) and for such delay a fine of Rs. 5,900 was duly paid by the Company to the exchange.

We further report that the Company has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.

For GSK & Associates
(Company Secretaries)
FRN: P2014UP036000



Khushboo Gupta
Partner

M. No.: F7243

CP No.: 7886

PR No: 2072/2022

UDIN: F007243E000710649

Date: 31.07.2023

Place: New Delhi

1. RELATED PARTY DISCLOSURE

The listed entity which has listed its non-convertible securities shall make disclosures in compliance with the Accounting Standard on “Related Party Disclosures”.

Sr. No.	In the Accounts of	Disclosures of amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year
	Holding Company	Optionally Convertible Debentures (Unsecured Loans)
	Subsidiary Company	-
	Holding Company	-

2. Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results: Attached as Annexure

For and on the behalf of Board of Directors

Sd/-

Bovin Kumar

Director

DIN: 08571658

**Address: NGM 191, DLF New Town Heights,
Sector-90, Hayatpur 114 Wazirpur,
Gurugram 122505**

Sd/-

Ravindranath Karati

Director

DIN: 07419535

**Address: Flat No. A-2, 2nd Floor, Sri Sathya
Sai Appt., H. No. 8-2-293/K/309&310,
Kamalapuri Cny, Phase-III, Hyderabad,
Telangana-500072**

Date: 04-August-2023

Place: Noida

KNR TIRUMALA INFRA PVT. LTD.

Annexure-IV(A)

Disclosure of Related Party Transactions

										Additional disclosure of related party transactions - applicable only in case the related party transaction relates to loans, inter-corporate deposits, advances or investments made or given by the listed entity/subsidiary. These details need to be disclosed only once, during the reporting period when such transaction was undertaken.								
S. No	Details of the party (listed entity /subsidiary) entering into the transaction		Details of the counterparty			Type of related party transaction (see Note 5)	Value of the related party transaction as approved by the audit committee (see Note 6a)	Value of transaction during the reporting period (see Note 6b)	In case monies are due to either party as a result of the transaction (see Note 1)		In case any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments			Details of the loans, inter-corporate deposits, advances or investments				
	Name	PAN	Name	PAN	Relationship of the counterparty with the listed entity or its subsidiary				Opening balance	Closing balance	Nature of indebtedness (loan/issuance of debt/any other etc.)	Cost (see Note 7)	Tenure	Nature (loan/advance/inter-corporate deposit/investment)	Interest Rate (%)	Tenure	Secured/unsecured	Purpose for which the funds will be utilised by the ultimate recipient of funds (end-usage)
1.	KNR Tirumala Infra Private Limited	AAHCK0615K	Cube Highways and Infrastructure III Pte. Ltd.	AADC16911J	Holding*	Unsecured Optionally Convertible Debentures	N.A.	(56,34,00,000)	88,59,50,000	32,25,50,000	-	-	-	Unsecured Optionally Convertible Debentures	12%	14 years	Unsecured	General Purpose
2.	KNR Tirumala Infra Private Limited	AAHCK0615K	Cube Highways and Infrastructure III Pte. Ltd.	AADC16911J	Holding*	Interest on Unsecured Optionally Convertible Debentures	N.A.	1,66,56,070	3,17,35,930	4,83,92,000	-	-	-	Unsecured Optionally Convertible Debentures	12%	14 years	Unsecured	General Purpose

Regd. Off: KNR House, 4th Floor, Plot No. 114, Phase -I, Kavuri Hills, Hyderabad – 500033
Corporate Off: Unit No.1901, 19th Floor, Tower B, World Trade Tower, Plot No.C-1, Sector 16, Noida-201301 (UP)
 Phone: 040- 4026 8761 / 62, Fax: +91 40 4026 8760 E-mail: Compliance@kti.pl.co.in
CIN: U45500TG2018PTC123857

KNR TIRUMALA INFRA PVT. LTD.

3.	KNR Tirumala Infra Private Limited	AAH CK06 15K	KNR Construction Limited	AAAC K8316L	Holding#	Amount withheld contract or and other balances	N.A.	8,40,64,725	1,47,93,617	9,88,58,341	-	-	-	-	-	-	-
Total								(45,70,60,640)	93,38,39,547	47,02,68,341							

*Cube Highways and Infrastructure III Pte. Ltd. acquired 100% stake in KNR Tirumala Infra Private Limited on October 20, 2022.
 #KNR Construction Limited was holding Company of KNR Tirumala till October 19, 2022.

For and on the behalf of Board of Directors

Sd/
Bovin Kumar
 Director
 DIN: 08571658
 Address: NGM 191, DLF New Town Heights, Sector-90, Hayatpur 114 Wazirpur, Gurugram 122505

Sd/
Ravindranath Karati
 Director
 DIN: 07419535
 Address: Flat No. A-2, 2nd Floor, Sri Sathya Sai Appt., H. No. 8-2-293/K/309&310, Kamalapuri Cny, Phase-III, Hyderabad, Telangana-500072

Date: 04-August-2023
 Place: Noida

M.K. DANDEKER & CO LLP

Chartered Accountants

Phone : +91- 44 - 43514233

E-mail : admin@mkdandeker.com

Web : www.mkdandeker.com

No.185 (Old No.100) 2nd Floor,

Poonamallee High Road, Kilpauk,

CHENNAI - 600 010.

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. KNR Tirumala Infra Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **KNR Tirumala Infra Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

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 ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. 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. We have nothing to report in this regard.

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 Board's Report including Annexures to Board's



Branches: CHENNAI, BENGALURU, HYDERABAD, AHMEDABAD

Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

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 Ind AS 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 on the date of the auditor's report as the Board report and other reports are expected to be made available to us after the date of this auditor's report.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 the 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS 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 Ind AS 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 more significance in the audit of the Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine



that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of 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.

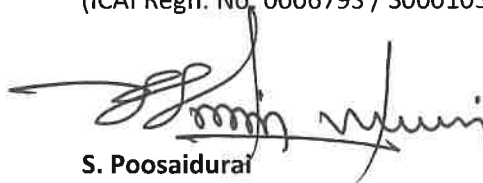
As required by Section 143(3) of the Act, we report that:

- 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 accounts 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, the Statement of Changes in Equity and the Cash Flow Statement 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 specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, as the Company is a private limited company the provisions of section 197 of the Act are not applicable.
- 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we have 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) contain any material mis-statement.
- v. The Company has not declared or paid dividend during the year.

For **M.K. Dandeker & Co. LLP**
Chartered Accountants
(ICAI Regn. No. 000679S / S000103)



S. Poosaidurai

Partner

Membership No. 223754

UDIN: 23223754BGVSXU3646

Place: Hyderabad

Date: May 15, 2023



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in our Report of even date)

- 1 (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Intangible assets.

(B) The Company is not having any intangible assets in its books of accounts as per IND AS financial statements.
- (b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) The Company is not having any immovable property.
- (d) The Company has not revalued its Property, Plant and Equipment.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2 (a) The management of the Company is conducting the physical verification of inventory at reasonable intervals. The coverage and procedure of such verification by the management is appropriate. There are no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
- (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year and hence clause 3 (ii)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.
- 3 During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
- 4 The Company has not entered into any transaction in respect of loans, investments, guarantees and securities, which attracts provisions of section 185 and 186 of the Companies Act, 2013. Hence, the clause 3(iv) of the Companies (Auditor's Report) order 2020 is not applicable to the Company.
- 5 The Company has not accepted deposits or amounts which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules made thereunder are not applicable to the Company.
- 6 The Company is maintaining the cost records as specified by the Central Government under sub-



section (1) of section 148 of the Companies Act in respect of services carried out by the Company.

7. a. the company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities.
- b. According to the information and explanations given to us, there is a GST demand from THE ASST. COMMISSIONER (ST), TIRUPATI-II CIRCLE, TIRUPATI which have not been deposited on account of dispute as given below. Refer Note 33(a) of the financial statements.

Name of the Statute	Nature of the Dues	Amount (₹ in Lacs)	Financial year to which amount relates	Forum where dispute is pending
Goods & Service Tax	Tax, Interest & Penalty on account of Suppression of turnover	26.87	2018-19	Honorable High Court of Andhra Pradesh, At Amaravati
		18,024.39	2019-20	
		8,605.50	2020-21	

8. According to the information and explanations given to us, 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).
9. (a) As on the last day of the Financial year, the Company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not raised any new Term loans during the year.
- (d) According to the information and explanations given to us, the Company has not raised any funds on short term basis during the year and hence clause 3 (ix)(d) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence clause 3 (ix)(e) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence clause 3 (ix)(f) of the Companies (Auditor's Report) Order 2020 is not applicable.



10. (a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including Debt instruments) during the year and hence clause 3(x)(a) of the Companies (Auditor's Report) Order 2020 is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally) during the year and hence clause 3 (x)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.
11. (a) Based on the information and explanations given to us, no material fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed 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) Based on the information and explanations given to us, there are no whistle-blower complaints received during the year by the Company.
12. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2020 is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
14. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Auditor for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Hence, clause 3(xv) of the Companies (Auditor's Report) Order 2020 is not applicable.
16. (a) (b) As per the information and explanations given by the Company & 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) and (c) of the Order is not applicable.
- (b) As per the information and explanations given by the Company, there is no core investment

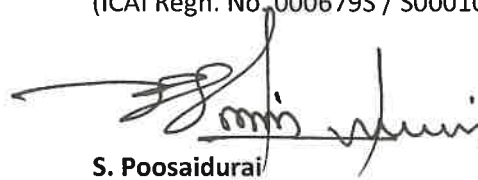


company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

17. The Company has not incurred any cash losses in this financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year and hence clause 3 (xviii) of the Companies (Auditor's Report) Order 2020 is not applicable.
19. 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, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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.
20. (a) There are no unspent amounts 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. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) The Company has no unspent amount pursuant to any ongoing project, under sub section (5) of section 135 of the Companies Act. Hence clause 3 (xx)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.
21. As the Company does not have any Subsidiaries, Associates or Joint Ventures, clause 3 (xxi) of the Companies (Auditor's Report) Order 2020 is not applicable.

For M.K. Dandeker & Co. LLP
Chartered Accountants
(ICAI Regn. No. 000679S / S000103)



S. Poosaidurai

Partner

Membership No. 223754

UDIN: 23223754BGVSXU3646

Place: Hyderabad

Date: May 15, 2023



**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in our Report of even date)**

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

We have audited the internal financial controls over financial reporting of **KNR Tirumala Infra Private Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

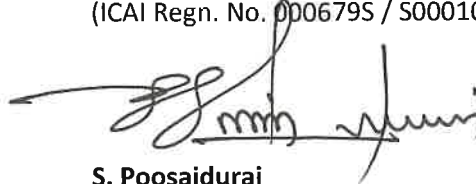
Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For M.K. Dandeker & Co. LLP
Chartered Accountants
(ICAI Regn. No. 000679S / S000103)



S. Poosaidurai

Partner

Membership No. 223754

UDIN: 23223754BGVSXU3646

Place: Hyderabad

Date: May 15, 2023



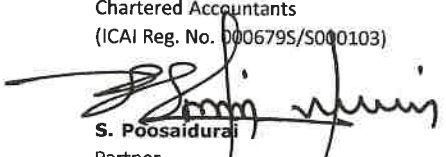
KNR TIRUMALA INFRA PVT LTD
CIN - U45500TG2018PTC123857
Balance Sheet as at March 31, 2023
(All amounts in ₹ lacs unless otherwise stated)

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	56.07	15.59
Financial assets:			
Other financial assets	4	33,145.57	44,613.16
Tax assets (net)	5	1,004.24	864.22
Total non-current assets		34,205.88	45,492.97
Current assets			
Inventories	6	22.20	11.55
Financial assets:			
Trade receivables	7	1,229.82	1,729.83
Cash and cash equivalents	8	7,836.68	4,189.54
Bank balances other than cash and cash equivalents	9	3,700.00	-
Other financial assets	10	14,457.10	13,291.86
Other current assets	11	4,427.74	6,713.89
Total current assets		31,673.54	25,936.67
Total assets		65,879.42	71,429.64
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	7,162.50	7,162.50
Other equity	13	(183.74)	3,139.53
Total equity		6,978.76	10,302.03
LIABILITIES			
Non-current liabilities			
Financial liabilities:			
Borrowings	14	50,087.13	53,898.69
Provisions	15	12.18	941.44
Deferred tax liabilities (net)	16	1,820.03	-
Total non-current liabilities		51,919.34	54,840.13
Current liabilities			
Financial liabilities:			
Borrowings	17	4,689.00	2,724.08
Trade payables:	18		
- total outstanding dues of micro enterprises and small enterprises		2.22	14.98
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,141.40	1,514.33
Other financial liabilities	19	1,118.28	354.56
Other current liabilities	20	29.03	1,679.18
Provisions	21	1.39	0.35
Total current liabilities		6,981.32	6,287.48
Total liabilities		58,900.66	61,127.61
Total equity and liabilities		65,879.42	71,429.64

The above Balance sheet should be read in conjunction with the accompanying notes

As per our report of even date attached

For M.K. Dandekar & Co. LLP
Chartered Accountants
(ICAI Reg. No. 000679S/S000103)



S. Poosaidurai
Partner
Membership No: 223754
Place: Chennai
Date: 15 May 2023




For and on behalf of the Board of Directors of
KNR Tirumala Infra Pvt Ltd


Gaurav Malhotra
Director
DIN: 09422131
Place: Noida
Date: 15 May 2023


Bovin Kumar
Director
DIN: 08571658
Place: Noida
Date: 15 May 2023


Kankanala Krishnarao
Chief Executive Officer
Place: Noida
Date: 15 May 2023


Krishna Yendluri
Chief Financial Officer
Place: Noida
Date: 15 May 2023


Sanjay Kumar
Company Secretary
Place: Noida
Date: 15 May 2023

KNR TIRUMALA INFRA PVT LTD
CIN - U45500TG2018PTC123857

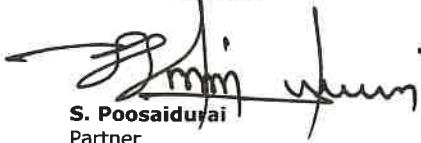
Statement of Profit and Loss for the year ended March 31, 2023
(All amounts in ₹ lacs unless otherwise stated)

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Income			
Revenue from operations	22	3,561.72	28,765.07
Other Income	23	1,363.36	127.81
Total Income		4,925.08	28,892.88
Expenses			
Operation and maintenance expenses	24	1,169.08	27,303.99
Employee benefit expenses	25	270.29	39.74
Other expenses	26	356.52	208.69
Total expenses		1,795.89	27,552.42
		3,129.19	1,340.46
Earnings before interest expenses, tax, depreciation and amortisation (EBITDA)			
Finance costs	27	4,629.47	3,723.53
Depreciation and amortisation expense	28	5.59	0.15
Loss before exceptional items and tax		(1,505.87)	(2,383.22)
Exceptional items:			
Exceptional items		-	-
Loss before tax		(1,505.87)	(2,383.22)
Less: Tax expense/(income)			
Current tax	30	-	-
Deferred tax	16	1,820.03	-
		1,820.03	-
Loss for the year		(3,325.90)	(2,383.22)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement (losses)/gains on defined benefit obligations		2.63	-
Income tax relating to these items		-	-
Total other comprehensive income for the year		2.63	-
Total comprehensive income for the year		(3,323.27)	(2,383.22)
Earnings per share (₹)			
Basic (₹)	29	(464.35)	(332.74)
Diluted (₹)		(464.35)	(332.74)

The above Statement of Profit and loss should be read in conjunction with the accompanying notes

As per our report of even date attached

For M.K. Dandeker & Co. LLP
Chartered Accountants



S. Poosaidurai
Partner
Membership No: 223754
Place: Chennai
Date: 15 May 2023




For and on behalf of the Board of Directors of
KNR Tirumala Infra Pvt Ltd



Gaurav Malhotra
Director
DIN: 09422131
Place: Noida
Date: 15 May 2023



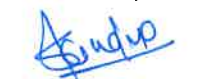
Bovin Kumar
Director
DIN: 08571658
Place: Noida
Date: 15 May 2023



Kankanala Krishnarao
Chief Executive Officer
Place: Noida
Date: 15 May 2023



Krishna Yendluri
Chief Financial Officer
Place: Noida
Date: 15 May 2023



Sanjay Kumar
Company Secretary
Place: Noida
Date: 15 May 2023

KNR TIRUMALA INFRA PVT LTD
CIN - U45500TG2018PTC123857
Statement of Cash Flows for the year ended March 31, 2023
(All amounts in ₹ lacs unless otherwise stated)

	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flows from operating activities		
Loss before tax	(1,505.87)	(2,383.22)
Adjustments for:		
Depreciation and amortisation expense	5.59	0.15
Interest income	(425.25)	(30.70)
Finance cost	3,629.47	3,723.47
Operating Profit/(Loss) before working capital changes and other adjustments	2,703.94	1,309.76
Working capital changes and other adjustments:		
Decrease/(Increase) in inventories	(10.65)	(11.55)
Decrease/(Increase) in trade receivables	500.01	(1,729.83)
Decrease/(Increase) in other financial assets	10,448.09	(6,777.17)
Decrease/(Increase) in other assets	2,286.15	8,423.11
(Decrease)/Increase in trade payables	(385.69)	(19,213.75)
(Decrease)/Increase in provisions	(1,322.51)	941.79
(Decrease)/Increase in other financial liabilities	94.81	(235.65)
(Decrease)/Increase in other liabilities	(1,650.16)	(7,762.51)
Cash flow from/(used) operating activities post working capital changes	12,663.99	(25,055.80)
Income tax (paid) / refund	(140.02)	(258.90)
Net cash flow from/(used) operating activities (A)	12,523.97	(25,314.70)
B. Cash flows from investing activities		
Payment for purchase of property, plant and equipment, investment properties and intangible assets	(46.07)	(15.74)
Maturity/(investment) in bank deposits other than cash and cash equivalents including deposit under lien (net)	(3,700.00)	-
Interest received	279.51	30.01
Net cash from/(used) in investing activities (B)	(3,466.56)	14.27
C. Cash flows from financing activities		
Payment for equity share capital reduction (Refer note 12)	-	(4,981.00)
Proceeds from long term borrowings	51,933.86	37,074.57
Payment of long term borrowings	(54,169.60)	-
Proceeds/(payment) of short term borrowings	(145.58)	145.58
Interest paid (including interest capitalised)	(3,028.95)	(3,535.32)
Net cash from/(used) in financing activities (C)	(5,410.27)	28,703.83
D. Net increase/(decrease) in Cash and cash equivalents (A+B+C)	3,647.14	3,403.40
E. Cash and cash equivalents at the beginning of the year	4,189.54	735.14
Cash and cash equivalents at the end of the year (D+E) (Refer reconciliation below)	7,836.68	4,189.54
Reconciliation of Cash and cash equivalents as per Statement of cash flow		
Cash and cash equivalents as per above comprise of following:		
Cash and cash equivalents (Refer note 8)	7,836.68	4,189.54
Less: Earmarked balances	-	-
Balance as per Statement of cash flow	7,836.68	4,189.54

Note:
The above cash flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Changes in liabilities arising from financing activities

Particulars	Balance as at April 01, 2022	Cash flows from financing activities		Conversion of sub-ordinate loan into borrowings/remission of borrowings	Unrealised foreign exchange	Changes in fair values	Impact in equity	Finance cost (Non-cash adjustment)	Others	Balance as at March 31, 2023
		Inflow	Outflow							
Long Term Borrowings										
Term loan	47,617.68	-	(48,014.60)	-	-	-	-	396.92	-	(0.00)
Optionally Convertible Debentures	8,859.50	-	(5,634.00)	-	-	-	-	-	-	3,225.50
Non Convertible Debentures	-	51,933.86	(521.00)	-	-	-	-	137.77	-	51,550.63
TOTAL (A)	56,477.18	51,933.86	(54,169.60)	-	-	-	-	534.69	-	54,776.13
Short Term Borrowings										
Loans from others	145.58	-	(145.58)	-	-	-	-	-	-	-
TOTAL (B)	145.58	-	(145.58)	-	-	-	-	-	-	-
Total liabilities from financing activities (C = A+B)	56,622.76	51,933.86	(54,315.18)	-	-	-	-	534.69	-	54,776.13

Particulars	Balance as at April 01, 2021	Cash flows from financing activities		Conversion of sub-ordinate loan into borrowings/remission of borrowings	Unrealised foreign exchange	Changes in fair values	Impact in equity	Finance cost (Non-cash adjustment)	Others	Balance as at March 31, 2022
		Inflow	Outflow							
Long Term Borrowings										
Term loan	19,475.83	28,215.07	-	-	-	-	-	(73.22)	-	47,617.68
Optionally Convertible Debentures	-	8,859.50	-	-	-	-	-	-	-	8,859.50
Non Convertible Debentures	-	-	-	-	-	-	-	-	-	-
TOTAL (A)	19,475.83	37,074.57	-	-	-	-	-	(73.22)	-	56,477.18
Short Term Borrowings										
Loans from others	-	145.58	-	-	-	-	-	-	-	145.58
TOTAL (B)	-	145.58	-	-	-	-	-	-	-	145.58
Total liabilities from financing activities (C = A+B)	19,475.83	37,220.15	-	-	-	-	-	(73.22)	-	56,622.76

The above Statement of Cash flows should be read in conjunction with the accompanying notes

As per our report of even date attached

For M.K. Dandekar & Co. LLP
Chartered Accountants

[Signature]
S. Poosaidurai
Partner
Membership No: 223754
Place: Chennai
Date: 15 May 2023



For and on behalf of the Board of Directors of
KNR Tirumala Infra Pvt Ltd

Gaurav Malhotra
Director
DIN: 09422131
Place: Noida
Date: 15 May 2023

Bovin Kumar
Director
DIN: 08571658
Place: Noida
Date: 15 May 2023



Kankana Krishna Rao
Chief Executive Officer
Place: Noida
Date: 15 May 2023

Krishna Yenduri
Chief Financial Officer
Place: Noida
Date: 15 May 2023

[Signature]
Santay Kumar
Company Secretary
Place: Noida
Date: 15 May 2023

KNR TIRUMALA INFRA PVT LTD
CIN - U45500TG2018PTC123857
Statement of Changes in Equity for the year ended March 31, 2023
(All amounts in ₹ lacs unless otherwise stated)

A Equity share capital

i) As at March 31, 2023

Balance as at April 01, 2022	Issue of share capital during the current year	Reduction in share capital during the current year	Balance as at March 31, 2023
7,162.50	-	-	7,162.50

ii) As at March 31, 2022

Balance as at April 01, 2021	Issue of share capital during the current year	Reduction in share capital during the current year	Balance as at March 31, 2022
7,162.50	-	-	7,162.50

B Other equity

Particulars	Share application money pending allotment	Equity component of financial		Reserves and surplus	Total
		Equity component on Non-Convertible Debentures (NCD)/loan	Equity component of subordinate debt	Retained earnings	
Balance as at April 01, 2022	-	-	-	3,139.53	3,139.53
Net profit/(loss) for the year	-	-	-	(3,325.90)	(3,325.90)
Other comprehensive income/(loss):	-	-	-		
Re-measurement (losses)/gains on defined benefit obligations (net of income tax)	-	-	-	2.63	2.63
Total comprehensive income/(loss) for the year	-	-	-	(3,323.27)	(3,323.27)
Securities Premium arising on issue of equity shares	-	-	-	-	-
Balance as at March 31, 2023	-	-	-	(183.74)	(183.74)
Balance as at April 01, 2021	-	-	4,981.00	5,522.75	10,503.75
Net profit/(loss) for the year	-	-	-	(2,383.22)	(2,383.22)
Other comprehensive income/(loss):	-	-	-		
Total comprehensive income/(loss) for the year	-	-	-	(2,383.22)	(2,383.22)
Reclassifications to borrowings (Refer note 43)	-	-	(4,981.00)	-	(4,981.00)
Adjustment of grant against intangible assets	-	-	-	-	-
Balance as at March 31, 2022	-	-	-	3,139.53	3,139.53

The above Statement of Changes in equity should be read in conjunction with the accompanying notes

As per our report of even date attached

For **M.K. Dandekar & Co. LLP**
Chartered Accountants

S. Poosankar
Partner
Membership No: 223754
Place: Chennai
Date: 15 May 2023



Gaurav Malhotra
Director
DIN: 09422131
Place: Noida
Date: 15 May 2023

Kankanala Krishnarao
Chief Executive Officer
Place: Noida
Date: 15 May 2023

Sanjay Kumar
Company Secretary
Place: Noida
Date: 15 May 2023

Bovin Kumar
Director
DIN: 08571658
Place: Noida
Date: 15 May 2023

Krishna Yenduri
Chief Financial Officer
Place: Noida
Date: 15 May 2023

1. Corporate Information

KNR Tirumala Infra Private Limited (the 'Company') is a company domiciled in India, with its registered office situated at KNR House, Phase I, Kavuri hills, Jubilee hills, Hyderabad, Telangana. The Company has been incorporated under the provisions of the Companies Act, 2013 as a Special Purpose Vehicle ("SPV") promoted by KNR Constructions Limited ('KNRCL').

The Company has entered in a Service Concession Arrangement("SCA") with National Highway Authority of India ("NHAI") for the Six laning of Chittoor (Design Km 0.000/Existing Km 158.000) to Mallavaram (Design Km 61.128/Existing Km 41.8000) of NH -140 under Bharatmala Pariyojana on Hybrid Annuity Mode (HAM) in the State of Andhra Pradesh. The company received appointed date on 04th January 2019.

2. Significant Accounting Policies

a) Purpose and Basis of Accounting and Preparation Of Financial Statements

The financial statements of the company comprises the Balance Sheet as at March 31, 2023, Statement of Profit and Loss including other Comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows for year ended March 31, 2023.

The Financial Statements have been prepared in accordance with the Revised Guidance Note on Division to Schedule III to the Companies Act, 2013, Guidance note on Reports in Company Prospectuses (Revised 2019), and the Guidance Note on Financial Statements issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Notes") using the recognition and measurement principles of Indian Accounting Standards as defined in Rule 2(1)(a) of the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 ('Ind AS') and other generally accepted accounting principles and other relevant provisions relating to disclosures required in India.

Historical cost convention

The financial statements have been prepared on the historical cost basis using uniform policies as explained above for like transactions and other events in similar circumstances, except for following assets and liabilities that are measured at fair values at the end of each reporting period:

- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- defined benefit plans - plan assets measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date
- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and



- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

b) Operating cycle

Based on the nature of activities of the Company and the normal time between acquisitions of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classifications of its assets and liabilities as current and non-current.

c) Current and non-current classification

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

An asset is current when:

- It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is expected to realise the asset within 12 months after the reporting period; or
- The asset is a cash or equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- It is expected to be settled in the normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within 12 months after the reporting period; or
- The Company does not have an unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) Property, plant, and equipment

Property, plant, and equipment are stated at historical cost less accumulated depreciation and cumulative impairment losses, if any. Historical cost includes purchase price, borrowing costs and any cost directly attributable to bringing the assets to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable to qualifying assets and includes borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant, and equipment when completed and ready for intended use.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation on assets has been provided on Straight line basis at the estimated useful lives. The estimated useful life and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimates being accounted for on a prospective basis. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions.



The residual values, useful lives and methods of depreciation of Property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate

Gains or losses arising from derecognition of a Property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

e) Foreign currency translation

Foreign currency transactions are recorded at the exchange rate prevailing on the date of the respective transactions between the functional currency and the foreign currency

Monetary items

Monetary foreign currency assets and liabilities remaining unsettled at the Balance Sheet date are translated at the rates of exchange prevailing on that date. Gains / losses arising on account of realisation / settlement of foreign currency transactions and on translation of foreign currency assets and liabilities are recognized in the Statement of Profit and Loss.

Exchange differences arising on the settlement of monetary items or on reporting date's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Non-monetary items

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency, are reported using the exchange rates that existed when the values were determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

f) Rights under Service concession arrangements (Hybrid Annuity Model)

Where Company has acquired contractual rights to receive specified determinable amounts, such rights are recognised and classified as "Financial Assets", The Company will recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the NHAI for the construction services and such financial assets are classified as "Receivables against Service Concession Arrangements" (Financial Asset Receivable).

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development under service Concession Arrangements are allocated and recognised and classified as "Financial Assets Receivable".

The Interest during construction and Tax expenses will not be adjusted with the financial asset and GST on expenses is also not form part of financial asset as GST will be recognized as an Input Tax Credit.

The amount due from the authority including Operation & Maintenance Income is accounted for in accordance with Ind AS 109 as measured at amortised cost and the interest calculated using the effective interest method is recognised in statement of profit and loss. As per the Concession Arrangement, the support during construction period are accounted for as part of the transaction price (Financial Asset) as defined in Ind AS 115.



g) Revenue recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" with the date of initial application being April 1, 2018. Ind AS 115, revenue from contracts with customers, is mandatory for reporting period beginning on or after April 1, 2018 replaced existing revenue recognition requirements i.e. Ind AS 18 Revenue Recognition and Ind AS 11 Construction Contracts. There were no significant adjustments required to the retained earnings as on April 1, 2018.

Accordingly, the policy for Revenue is amended as under:

To recognize revenue, the Company applies the following five step approach:

- (1) Identify the contract with a customer
- (2) Identify the performance obligations in the contract
- (3) Determine the transaction price
- (4) Allocate the transaction price to the performance obligation in the contract, and
- (5) Recognize revenue when a performance obligation is satisfied.

The Company recognize revenue when the Company satisfies a performance obligation by transferring a promised service (i.e. an asset) to NHAI.

Under the terms of contractual arrangements, the Company acts as a service provider. The Company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. The Company shall recognise and measure revenue for the services it performs. The nature of the consideration determines its subsequent accounting treatment i.e. as Financial Assets. The Company will recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the NHAI for the construction services.

The Financial Asset due from the NHAI is accounted and measured at amortised cost. The interest calculated using the effective interest method is recognised in the statement of profit and loss. As per the Concession Arrangement, concession support received are accounted for as part of the transaction price (i.e. Financial Asset).

h) Other income

All other income is recognized on accrual basis when no significant uncertainty exists on their receipt.

i) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest is accrued on time proportion basis, by reference to the principle outstanding at the effective interest rate.

j) Dividends

Income from dividend on investments is accrued in the year in which it is declared, whereby the Company's right to receive is established.

k) Government grant

Grants from governments are recognized at fair value where there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income are deferred and recognized in profit or loss over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate.

Government grants whose primary condition is that the Company should purchase, construct, or otherwise acquire non-current assets are deducted from the carrying amount of such non-current assets.



1) Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss ("FVTPL") are recognized immediately in the Statement of Profit and Loss.

Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

1. Classification of financial assets

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same are designated as fair value through profit or loss (FVTPL)):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

- The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments at FVTPL is a residual category for debt instruments and all changes are recognized in profit or loss.

2. Amortized cost and effective interest method

Income is recognized on an effective interest method as per Ind AS 109 for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the Statement of Profit and Loss and is included in the "Other income" line item.

3. Impairment of financial assets (Expected credit loss model)

An impairment loss on financial asset is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Impairment loss if any are recognised in Statement of Profit or Loss for the period.

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

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



The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables which do not contain a significant financing component. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognise impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the Balance Sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

4. De-recognition of financial assets

The Company derecognize a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in the Statement of Profit or Loss on disposal of that financial asset.

Financial liabilities

Financial liabilities are classified at initial recognition, as financial liabilities as fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortized costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Non-derivative financial assets - service concession arrangements

The Company recognises a financial asset arising from a service concession arrangement when it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the



grantor of the concession for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition and classified as financial asset receivables. Subsequent to initial recognition, such financial assets are measured at amortized cost.

Classification as debt or equity

Debt and equity instruments issued by Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, deposits held at call with the financial institutions and on hand and short-term deposits with an original maturity of three months or less and which are subject to an insignificant risk of changes in value. For purpose of statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

n) Statement of cash flows

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

- a. transactions of a non-cash nature;
- b. any deferrals or accruals of past or future operating cash receipts or payments and,
- c. all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Statement of cash flow. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

o) Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using effective interest method. Fees paid on the establishment of loan facilities are recognized at transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as prepayment for liquidity services and amortized over the period of the facility to which it relates.

The fair value of the liability portion of the optionally convertible debentures is determined using a market interest rate for equivalent non-convertible debentures. The amount is recorded as a liability on an amortized cost basis until extinguished on conversion or redemption of debentures. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognized and included in shareholders' equity, net of income tax effects, and not subsequently remeasured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains/(losses).

Where the terms of the financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of financial liability and the fair value of equity instruments issued.



Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

p) Borrowing cost

Borrowing cost include interest calculated using the effective interest method, amortization of ancillary costs and other costs the Company incurs in connection with the borrowing of funds. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying assets are capitalized during the period of time that is required to complete and prepare the qualifying asset for its intended use or sale. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

q) Employee Benefits

Employee benefits includes provident fund, superannuation fund, employee state insurance scheme, gratuity, compensated absences, long service awards and post-employment medical benefits.

a. Short-term Employee Benefit

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short-term compensated absences etc. and the expected cost of bonus, and ex-gratia are recognised in the period the related service is rendered at undiscounted amount of benefits expected to be paid in exchange for that service.

The cost of short-term compensated absences is accounted as under:

- in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- in case of non-accumulating compensated absences, when the absences occur.

b. Post-employment benefits

1) Defined contribution plans:

The Company offers its employees State governed provident fund linked with employee pension scheme as defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

2) Defined benefit plans:

The Company operates a defined benefit gratuity plan,. Company's liability towards gratuity is determined at each year end.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re- measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service



costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognises related restructuring costs.

Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

c. Other long-term employee benefit

The obligation for other long-term employee benefits such as long-term compensated absences, are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

r) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories include all costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory based on first-in-first-out basis. Cost of purchased inventory are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sales.

s) Provisions, contingent liabilities and contingent assets

Provisions are recognized when Company have a present obligation (legal or constructive) as a result of a past event, it is probable that Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that the reimbursement will be received, and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed in the financial statements where an inflow of economic benefits is probable.

t) Segment reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments based on their relationship to the operating activities of the



segment. The identification of operating segments and reporting of amounts is consistent with performance assessment and resource allocation by the management.

Inter-segment revenue is accounted based on transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

The Company operates in only one segment viz. "BOT Road Project" and hence the requirements of Ind AS 108 on "Segment Reporting" are not applicable. The Company activities are restricted within India and hence, no separate geographical segment disclosure is considered necessary.

u) Taxation

Income tax

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

Current income tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is recognised on temporary differences, being the differences between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised for temporary differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is reasonable certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the entity has a legally enforceable right for such set off. Deferred tax assets are reviewed at each reporting date for their realisability.

The Company offsets deferred tax assets and deferred tax liabilities, and advance income tax and provision for tax, if it has a legally enforceable right and these relate to taxes in income levies by the same governing taxation laws.

Current and deferred tax relating to items directly recognised in other comprehensive income and reserves are recognised in other comprehensive income and reserves respectively and not in the Statement of Profit and Loss.

Minimum Alternative Tax

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



v) Impairment of non-financial assets

The carrying values of assets / cash generating units at each reporting date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- (a) an intangible asset that is not yet available for use; and
- (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss.

The recoverable amount is the higher of the fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognized.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An Impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

w) Provision for periodic maintenance / resurfacing obligations

The Company estimates and provides for contractual obligations as per Service Concession Arrangement (SCA) with NHAI to restore the infrastructure to a specified level of serviceability at periodic intervals or restore the infrastructure to a specified condition before it is handed over to NHAI. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost. The same is reviewed at each balance sheet date and adjustments if any to the carrying amount is provided for accordingly.

x) Earning Per Share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the



conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period unless they have been issued later. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

y) Critical accounting judgements and key sources of estimation uncertainty

The preparation of these financial statements is in conformity with Ind AS and requires the management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses, and the accompanying disclosures, and the disclosure of contingent liabilities.

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

1. Useful lives of property, plant, and equipment

Management reviews the useful lives of depreciable assets at each reporting date. As at balance sheet date, management assessed that the useful lives represent the expected utility of the assets to the Company. Further there is no significant change in the useful lives as compared to previous period.

2. Obligations relating to employee benefits

The employee benefit obligation depends on several factors that are determined on an actuarial basis using several assumptions. The assumptions used in determining the net cost/ (income) include the discount rate, inflation, and mortality assumptions. Any changes in these assumptions will impact upon the carrying amount of employment benefit obligations.

3. Deferred taxes

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

4. 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 history, existing market conditions as well as forward looking estimates at the end of each reporting period.

5. Accounting of Compound financial instrument

For the purpose of accounting of Optionally convertible debentures (OCDs), the Company has estimated the future cash flows which is being used for bifurcating the OCDs into liability and equity components. Further, the Company has exercised the judgement that the OCDs will be redeemed on due date and the subscriber of these OCDs will not exercise the option of conversion into equity shares. Basis this the Company has concluded that there is no equity component in these OCDs.



KNR TIRUMALA INFRA PVT LTD
 CIN - U45500TG2018PTC123857
 Notes forming part of Financial Statements March 31, 2023
 (All amounts in ₹ lacs unless otherwise stated)

As at March 31, 2023 As at March 31, 2022

56.07	15.59
56.07	15.59

3 Property, plant and equipment
 Net carrying value of property, plant and equipment

Description	Office equipment	Computers	Furniture and fixtures	Plant and equipment	Vehicles	Total
Gross carrying value						
Balance as at April 01, 2021	-	-	-	-	-	-
Additions for the year	1.32	1.64	-	7.65	5.13	15.74
Reclassified to assets held for sale	-	-	-	-	-	-
Disposals/adjustments for the year	-	-	-	-	-	-
Balance as at March 31, 2022	1.32	1.64	-	7.65	5.13	15.74
Additions for the year	1.63	2.88	2.67	24.36	14.53	46.07
Reclassified to assets held for sale	-	-	-	-	-	-
Disposals/adjustments for the year	-	-	-	-	-	-
Balance as at March 31, 2023	2.95	4.52	2.67	32.01	19.66	61.81
Accumulated depreciation						
Balance as at April 01, 2021	-	-	-	-	-	-
Charge for the year	0.03	0.10	-	0.01	0.01	0.15
Reclassified to assets held for sale	-	-	-	-	-	-
Disposals/adjustments for the year	-	-	-	-	-	-
Balance as at March 31, 2022	0.03	0.10	-	0.01	0.01	0.15
Charge for the year	0.46	1.12	0.21	2.28	1.52	5.59
Reclassified to assets held for sale	-	-	-	-	-	-
Disposals/adjustments for the year	-	-	-	-	-	-
Balance as at March 31, 2023	0.49	1.22	0.21	2.29	1.53	5.74
Net carrying value:						
As at March 31, 2022	1.29	1.54	-	7.64	5.12	15.59
As at March 31, 2023	2.46	3.30	2.46	29.72	18.13	56.07



	As at March 31, 2023	As at March 31, 2022
4 Other financial assets		
Non-current		
Unsecured, considered good		
Security deposits	6.21	-
Receivable under service concession arrangements [Refer note (i) below]	33,139.36	44,613.16
	<u>33,145.57</u>	<u>44,613.16</u>
Notes:		
(i) Movement in receivables under service concession arrangements during the financial year :		
Opening balance	57,904.33	50,971.66
Add: Interest income on annuity receivable from National Highway Authority of India ('NHAI') (Refer note 22)	227.37	8,675.98
Add: Recoverable for operation and maintenance income for the year (Refer note 22)	2,608.50	549.14
Less: Annuity received from National Highway Authority of India ('NHAI')	13,291.17	2,292.45
Closing balance	<u>47,449.03</u>	<u>57,904.33</u>
- Non-current	33,139.36	44,613.16
- Current (Refer note 10)	14,309.66	13,291.17
	<u>47,449.03</u>	<u>57,904.33</u>
5 Current tax assets/(liabilities) (net)		
Current tax assets		
- Non current	1,004.24	864.22
	<u>1,004.24</u>	<u>864.22</u>
6 Inventories		
Valued at lower of cost or net realisable value		
Stores and spares	22.20	11.55
	<u>22.20</u>	<u>11.55</u>
7 Trade receivables		
Current		
Trade receivable		
- Unsecured, considered good	1,229.82	1,729.83
- Unsecured, which have significant increase in credit risk	-	-
- Unsecured, credit impaired	-	-
Less : Impairment loss allowance	-	-
	<u>1,229.82</u>	<u>1,729.83</u>

Outstanding for following periods from due date of payment

Trade receivable ageing schedule	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 month - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
Undisputed trade receivables – considered good	-	477.96	570.52	181.34	-	-	1,229.82
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	-	-	-	-	-	-	-

Outstanding for following periods from due date of payment

Trade receivable ageing schedule	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 month - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022							
Undisputed trade receivables – considered good	-	1,729.83	-	-	-	-	1,729.83
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	-	-	-	-	-	-	-

Also refer note 35 for impairment loss allowance movement.

	As at March 31, 2023	As at March 31, 2022
8 Cash and cash equivalents		
Cash on hand	-	-
Balances with banks:		
- current accounts	248.91	169.59
- deposits with original maturity of less than three months	7,587.77	4,019.95
	<u>7,836.68</u>	<u>4,189.54</u>



9 Bank balances other than cash and cash equivalents

Deposits with original maturity more than three months but less than twelve months

3,700.00	-
3,700.00	-

(i) Includes deposits towards Debt Service Reserve Account (DSRA) pursuant to covenants of Debenture Trust deed entered by the Company with Debenture Trustee

3,700.00	-
----------	---

10 Other financial assets

Current - Unsecured, considered good

Interest accrued on fixed deposits with banks

Receivable under service concession arrangements [Refer note 4(i)]

Employee benefits receivables

146.43	0.69
14,309.66	13,291.17
1.01	-
14,457.10	13,291.86

11 Other current assets

Unsecured, considered good

Advance to suppliers

Prepaid expenses

Balance with government authorities

GST paid under protest

13.74	674.20
80.63	83.20
3,198.93	5,956.49
1,134.44	-
4,427.74	6,713.89



KNR TIRUMALA INFRA PVT LTD
CIN - U45500TG2018PTCL123857
Notes forming part of Financial Statements March 31, 2023
(All amounts in ₹ face unless otherwise stated)

12 Equity share capital

Authorised
716,300 (March 31, 2022: 716,300) equity shares of ₹1,000 each
Issued, subscribed and fully paid:
716,250 (March 31, 2022: 716,250) equity shares of ₹1,000 each

As at March 31, 2023 As at March 31, 2022

7,163,000 7,163,000

7,162,500 7,162,500

7,162,500 7,162,500

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year:

	March 31, 2023	March 31, 2022
No. of shares	7,162,500	7,162,500
₹ in lacs	7,162.50	7,162.50
No. of shares	7,162,500	7,162,500
₹ in lacs	7,162.50	7,162.50

Equity shares of ₹1,000 each fully paid up

Opening Balance
Add: Shares issued during the year
Less: Reduction in share capital
Closing Balance

(ii) Terms and rights attached to equity shares:

The Company has one class of equity shares having a par value of ₹1.0 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

For details of Equity shares pledged as security for borrowings refer note 14.

(iii) Shares in respect of each class in the Company held by its Holding Company or its Ultimate Holding Company including shares held by Subsidiaries or Associates of the Holding Company or the Ultimate Holding Company in aggregate

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Cube Highways and Infrastructure-III Pte Limited, along with nominees KNR Constructions Limited, the Holding Company along with its nominees (till 13 October 2022)	7,16,250	7,162.50	3,50,962	7,162.50
	-	-	3,65,288	7,162.50

(iv) Shareholders holding more than 5% shares of the Company

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% Holding	No. of shares	% Holding
Cube Highways and Infrastructure-III Pte Limited, along with nominees KNR Constructions Limited, the Holding Company along with its nominees (till 13 October 2022)	7,16,250	100.00%	3,50,962	49.00%
	-	-	3,65,288	51.00%

(v) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the balance sheet date:

No shares have been issued by the Company for consideration other than cash, during the period of five years immediately preceding the reporting periods.

(vi) Details of shares held by promoters

Promoter name	As at March 31, 2023			
	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares
Cube Highways and Infrastructure-III Pte Limited, along with nominees KNR Constructions Limited, the Holding Company along with its nominees (till 13 October 2022)	3,50,962	3,65,288 (3,65,288)	7,16,250	100.00%
	3,65,288	-	-	51.00%
	-	-	-	-51.00%

Promoter name	As at March 31, 2022			
	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total Shares
Cube Highways and Infrastructure-III Pte Limited, along with nominees KNR Constructions Limited, the Holding Company along with its nominees (till 13 October 2022)	7,16,250	3,50,962 (3,50,962)	3,50,962	49.00%
	-	-	3,65,288	51.00%
	-	-	-	100.00%
	-	-	-	-49.00%



	As at March 31, 2023	As at March 31, 2022
13 Other equity		
i) Equity component of subordinate debt		
Opening Balance	-	4,981.00
Addition	-	-
Deletion	-	-
Closing Balance	<u>-</u>	<u>(4,981.00)</u>
Reserves and surplus		
a. Retained earnings		
Opening Balance	3,139.53	5,522.75
Net profit/(loss) for the year	(3,325.90)	(2,383.22)
Other comprehensive income:		
Re-measurement (losses)/gains on defined benefit obligations (net of income tax)	2.63	-
Closing Balance	<u>(183.74)</u>	<u>3,139.53</u>
Total other equity	<u>(183.74)</u>	<u>3,139.53</u>

Nature and purpose of components of Other Equity are as follows:

Retained earnings

Retained earnings are created from the profit / loss of the Company, as adjusted for distributions to owners, transfers to other reserves, etc. Negative balance represents accumulated losses.

	As at March 31, 2023	As at March 31, 2022
14 Borrowings - Non-current		
At amortised cost		
Secured:		
a) Term loan [Refer note 14 (i)]		
State Bank of India	-	47,617.69
- Banks	-	47,617.69
Sub-total (A)	<u>-</u>	<u>47,617.69</u>
b) NCD (Non - convertible debentures) [Refer note 14 (ii)]		
Series A	51,550.63	-
SBI Magnum	-	-
- Listed	51,550.63	-
Sub-total (B)	<u>51,550.63</u>	<u>-</u>
Unsecured:		
a) OCD (Optionally - convertible debentures) [Refer note 14 (ii)]		
Cube Highways and Infrastructure III Pte. Ltd.	3,225.50	8,859.50
Sub-total (C)	<u>3,225.50</u>	<u>8,859.50</u>
Less: Current maturities of borrowings (Current borrowings)		
Secured:		
a) Term loan		
- Banks	-	2,578.50
b) Non - convertible debentures		
- Listed	4,689.00	-
Total current maturities of borrowings (F)	<u>4,689.00</u>	<u>2,578.50</u>
Total non-current borrowings (A+B+C+D+E-F)	<u>50,087.13</u>	<u>53,898.69</u>



KNR TIRUMALA INFRA PVT LTD
CIN - U45500TG2018PTC123857
Notes forming part of Financial Statements March 31, 2023
(All amounts in ₹ lacs unless otherwise stated)

14 (ii) Borrowing footnote OCD/NCD
As on March 31, 2023 for repayment terms and security details of the outstanding non-current borrowings (including current maturities) refer the table below:

<i>All amounts in ₹ lacs</i>						
S.No.	Nature of borrowing	Name of Company	Lender	March 31, 2023	March 31, 2022	
Secured:						
A	Non Convertible Debentures	KNR TIRUMALA INFRA PVT LTD	Listed NCD			
	Series of Debentures Redeemed	Redemption Date	No of Debenture	March 31, 2023	March 31, 2022	
	Series A		4,840			
		31-Jul-22		-	-	
		31-Jan-23		-	-	
		31-Jul-23		1,452.00	-	
		31-Jan-24		2,904.00	-	
		31-Jul-24		1,669.80	-	
		31-Jan-25		1,669.80	-	
		31-Jul-25		1,742.40	-	
		31-Jan-26		1,766.60	-	
		31-Jul-26		1,790.80	-	
		31-Jan-27		1,887.60	-	
		31-Jul-27		1,936.00	-	
		31-Jan-28		2,057.00	-	
		31-Jul-28		2,105.40	-	
		31-Jan-29		2,081.20	-	
		31-Jul-29		2,420.00	-	
		31-Jan-30		2,541.00	-	
		31-Jul-30		2,250.60	-	
		31-Jan-31		2,371.60	-	
		31-Jul-31		1,476.20	-	
		31-Jan-32		1,597.20	-	
		31-Jul-32		1,573.00	-	
		31-Jan-33		1,524.60	-	
		31-Jul-33		1,548.80	-	
		31-Jan-34		1,548.80	-	
		31-Jul-34		1,669.80	-	
		31-Jan-35		2,274.80	-	
		31-Jul-35		2,057.00	-	
		Series B		370		
			31-Jul-22		-	-
			31-Jan-23		-	-
			31-Jul-23		111.00	-
			31-Jan-24		222.00	-
		31-Jul-24		127.65	-	
		31-Jan-25		127.65	-	
		31-Jul-25		133.20	-	
		31-Jan-26		135.05	-	
		31-Jul-26		136.90	-	
		31-Jan-27		144.30	-	
		31-Jul-27		148.00	-	
		31-Jan-28		157.25	-	
		31-Jul-28		160.95	-	
		31-Jan-29		159.10	-	
		31-Jul-29		185.00	-	
		31-Jan-30		194.25	-	
		31-Jul-30		172.05	-	
		31-Jan-31		181.30	-	
		31-Jul-31		112.85	-	
		31-Jan-32		122.10	-	
		31-Jul-32		120.25	-	
		31-Jan-33		116.55	-	
		31-Jul-33		118.40	-	
		31-Jan-34		118.40	-	
		31-Jul-34		127.65	-	



		31-Jan-35		173.90	-
		31-Jul-35		157.25	-
		Total		51,579.00	-
		Less: Unamortised processing fees		28.37	-
		Total Listed NCDs		51,550.63	-
	Description of OCD/ NCDs	The Company has issued 5,210 secured, Non convertible debentures (NCDs) having face value of ₹ 10,00,000 each at par, aggregating to ₹ 5,210 millions.			
	Total Secured NCD's			51,550.63	-
Unsecured:					
	Unsecured OCD's:				
B	Optionally convertible debentures	KNR TIRUMALA INFRA PVT LTD	Cube Highways and Infrastructure III Pte. Ltd.	3,225.50	8,859.50
	Total company's OCD's			3,225.50	8,859.50
	Description of OCD/ NCDs	The Company has issued 88,59,500 Unsecured, Optionally convertible debentures (OCDs) having face value of ₹ 100 each at par, aggregating to ₹ 885.95 millions.			



15 Provisions - non-current		As at March 31, 2023	As at March 31, 2022				
Provision for employee benefits		6.62	1.46				
- Gratuity (Refer note 31)		5.56	1.87				
- Compensated absences		-	938.11				
Provision for periodic major maintenance works		-	-				
		12.18	941.44				
16 Deferred tax liabilities (net)							
Deferred tax liability arising on account of :							
Difference between carrying value of property, plant and equipment, intangible assets and receivable under service concession arrangement as per books and tax		4,333.50	-				
Unamortised processing fees on borrowings		7.38	-				
Deferred tax asset arising on account of :							
Difference between carrying value of property, plant and equipment, intangible assets and receivable under service concession arrangement as per books and tax		(3.53)	-				
Expense allowed in tax on payment basis		(2,182.88)	-				
Unabsorbed depreciation carried forward		(334.44)	-				
Deferred tax liabilities (net)		1,820.03	-				
Movement in deferred tax liabilities (net)							
Particulars	Balance as at April 01, 2022	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income/ equity	Balance as at March 31, 2023			
Difference between carrying value of property, plant and equipment, intangible assets and receivable under service concession arrangement as per books and tax	-	4,333.50	-	4,333.50			
Unamortised processing fees on borrowings	-	7.38	-	7.38			
Unused tax losses carried forward	-	(334.44)	-	(334.44)			
Expense allowed in tax on payment basis	-	(3.53)	-	(3.53)			
Unabsorbed depreciation carried forward	-	(2,182.88)	-	(2,182.88)			
Total deferred tax assets/(liabilities)	-	1,820.03	-	1,820.03			
17 Current borrowings		As at March 31, 2023	As at March 31, 2022				
Current maturities of long term borrowings		4,689.00	2,578.50				
Loan repayable on demand		-	-				
- Loan from erstwhile shareholders		-	145.58				
- Loan others		-	-				
		4,689.00	2,724.08				
18 Trade payables							
Current							
Total outstanding dues of micro enterprises and small enterprises (Refer note 40)		2.22	14.98				
Total outstanding dues to creditors other than micro enterprises and small enterprises		1,141.40	1,514.33				
		1,143.62	1,529.31				
Trade payables ageing schedule							
As at March 31, 2023							
Particulars	Unbilled	Not due	Outstanding for following period from due date of payment	Total			
			Less than 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed outstanding dues of micro enterprises and small enterprises	-	-	2.22	-	-	-	2.22
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	99.38	-	974.45	67.57	-	-	1,141.40
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
As at March 31, 2022							
Particulars	Unbilled	Not due	Outstanding for following period from due date of payment	Total			
			Less than 1 year	1-2 year	2-3 year	More than 3 years	
Undisputed outstanding dues of micro enterprises and small enterprises	-	-	14.98	-	-	-	14.98
Undisputed outstanding dues of creditors other than micro enterprises and small enterprises	66.94	-	1,447.39	-	-	-	1,514.33
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Terms and condition of the above financial liabilities:							
Credit period varies as per the contractual terms of various suppliers/vendors. The Company has appropriate policy in place to ensure that all dues are paid within the credit terms agreed with the parties. Also, refer Company's credit risk management policy.							
19 Other financial liabilities		As at March 31, 2023	As at March 31, 2022				
Interest accrued but not due on borrowings		994.34	325.43				
Other payable		123.94	29.13				
		1,118.28	354.56				
20 Other current liabilities							
Statutory dues payable		0.01	994.79				
Advance from Customers		29.02	684.39				
		29.03	1,679.18				
21 Provisions							
Current							
Provision for employee benefits							
- Gratuity (Refer note 31)		0.20	0.13				
- Compensated absences		1.19	0.22				
		1.39	0.35				



KNR TIRUMALA INFRA PVT LTD
CIN - U45500TG2018PTC123857
Notes forming part of Financial Statements March 31, 2023
(All amounts in ₹ lacs unless otherwise stated)

	<u>Year ended</u> <u>March 31, 2023</u>	<u>Year ended</u> <u>March 31, 2022</u>
22 Revenue from operations		
Construction income	-	18,567.96
Operation and maintenance income	2,608.50	549.14
Finance Income	227.37	8,675.98
Bonus for early completion	725.85	-
Major Maintenance Income	-	971.99
	3,561.72	28,765.07
23 Other income		
Interest on financial assets carried at amortised cost:		
- bank deposits	395.93	22.52
Interest on income tax refund	29.32	8.18
Insurance claim received	-	36.85
Unamortised processing fee	-	60.26
Liabilities no longer required written back	938.11	-
	1,363.36	127.81
24 Operation and maintenance expenses		
Construction cost	-	18,567.96
Periodic major maintenance expenses	-	938.11
Repair and maintenance of carriageway	259.80	24.42
Security charges	11.36	2.23
Bonus for early completion	725.85	-
Vehicle hire charges	20.88	4.96
Power and fuel	108.92	15.00
Route patrolling expenses	23.39	2.12
Professional charges - site	18.83	53.12
O&M Expenses	-	486.35
Miscellaneous expenses	0.05	7,209.72
	1,169.08	27,303.99
25 Employee benefit expenses		
Salary and wages	240.40	35.01
Gratuity expenses (Refer note 31)	6.86	1.58
Contribution to provident and other funds	18.45	3.06
Staff welfare expenses	4.58	0.09
	270.29	39.74
26 Other expenses		
Management service charges	101.44	16.57
Rates and taxes	7.14	1.03
Advertising expenses	0.35	-
Insurance expense	142.77	72.97
Legal and professional fees	66.55	35.32
Payments to auditors (including taxes):		
- Statutory audit fee	4.30	4.90
- Other services	-	-
- Out of pocket expenses	-	-
Travelling and conveyance	9.15	0.30
Printing and stationary	1.27	-
Communication expenses	2.46	2.84
IT related cost	2.92	-
Corporate social responsibility expense (Refer note 39)	18.05	37.88
Miscellaneous expenses	0.12	36.88
Total	356.52	208.69
27 Finance costs		
Interest for financial liabilities classified at amortised cost:		
- term loans	116.17	3,447.16
- non-convertible debentures	3,028.84	-
Interest on delayed payment to MSME vendors	0.14	-
Interest for financial liabilities classified at FVTPL:		
- optionally-convertible debentures	674.18	267.97
Unwinding of interest:		
- on processing fees on debentures	137.77	-
Loss on financial liabilities measured at amortised cost	672.37	8.40
	4,629.47	3,723.53



	<u>Year ended</u> <u>March 31, 2023</u>	<u>Year ended</u> <u>March 31, 2022</u>
28 Depreciation and amortisation expense		
Depreciation on property, plant and equipment	5.59	0.15
	<u>5.59</u>	<u>0.15</u>

29 Earnings per share (EPS)

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

Profit/(loss) for the year attributable to owners of the Company for calculating basic earnings per share	(3,325.90)	(2,383.22)
Adjustments for convertible instruments	-	-
Profit/(loss) for the year attributable to owners of the Company for calculating diluted earnings per share	<u>(3,325.90)</u>	<u>(2,383.22)</u>
Weighted average number of equity shares outstanding for calculating basic earnings per share	7,16,250	7,16,250
Effect of dilution: Convertible instrument	-	-
Weighted average number of equity shares outstanding for calculating diluted earnings per share	<u>7,16,250</u>	<u>7,16,250</u>
Basic earnings per share (₹)	(464.35)	(332.74)
Diluted earnings per share (₹)	(464.35)	(332.74)

There have been no other transactions involving Equity shares or potential Equity shares between the reporting date and the date of authorisation of these financial statements.

(This space has been intentionally left blank)



30 Tax expense

	Year ended March 31, 2023	Year ended March 31, 2022
(i) Income tax expense recognised in Statement of Profit and Loss		
Current tax	-	-
Deferred tax	<u>1,820.03</u>	<u>-</u>
	<u>1,820.03</u>	<u>-</u>

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate and the reported tax expense in profit or loss are as follows :

Particulars

Profit/ (Loss) before tax	(1,505.87)	(2,383.22)
Income tax using the Company's domestic tax rate*	<u>26.00%</u>	<u>26.00%</u>
Expected tax expense [A]	<u>(391.53)</u>	<u>(619.64)</u>

Tax effect of adjustment to reconcile expected income tax expense to reported income tax expense:

Difference between carrying value of property, plant and equipment, intangible assets and receivable under service concession arrangement as per books and tax	4,333.50	619.64
Provision for Gratuity and leave encumbrance	-3.53	-
Unwinding of processing fee on borrowings	7.38	-
Annuity income	-	-
Unabsorbed depreciation and carry forward losses	<u>-2,125.79</u>	<u>-</u>
Total adjustments [B]	<u>2,211.56</u>	<u>619.64</u>
Actual tax expense [C=A+B]	<u>1,820.03</u>	<u>-</u>



31 Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits

(a) Defined contribution plan

The Company's contribution to Provident Fund amounts to ₹18.45 lacs (March 31, 2022: ₹ 3.06 lacs) has been recognised in the Statement of Profit and Loss under the head Employee benefit expenses.

(b) Defined benefit plans (unfunded):

The Company provides for gratuity for employees in India as per Payment of Gratuity Act, 1972. Employees who are in continuous service for 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month completed proportionately for 15 days salary multiplied for number of completed years of service.

The gratuity scheme covers substantially all regular employees. Commitments are actuarially determined at year-end. The actuarial valuation is done based on "Projected Unit Credit" method. Gains and losses of changed actuarial assumptions are charged to Statement of Profit and Loss.

Gratuity

(i) Amount recognised in the Statement of Profit and Loss is as under:

Description	31 March 2023	31 March 2022
Current service cost	6.68	0.32
Past service cost including curtailment (Gains)/Losses	-	1.27
Total Service Cost	6.68	1.58

(ii) Net Interest Cost

Description	31 March 2023	31 March 2022
Interest cost on defined benefit obligations	0.18	-
Interest income on plan assets	-	-
Net Interest Cost	0.18	-

(iii) Bifurcation of Actuarial Gain/Loss on obligations:

Description	31 March 2023	31 March 2022
Actuarial (Loss)/Gain on arising from change in demographic assumption	-	-
Actuarial (Loss)/Gain on arising from change in financial assumption	(3.10)	-
Actuarial (Loss)/Gain on arising from experience adjustment	0.47	-
Actuarial (Loss)/Gain on for the year on obligations	(2.63)	-

(iv) Actuarial Gain/loss on plan asset

Description	31 March 2023	31 March 2022
Actual income on plan asset	-	-
Expected interest income	-	-
Actuarial (Loss)/Gain for the year on plan asset	-	-

(v) Other Comprehensive Income (OCI)

Description	31 March 2023	31 March 2022
Actuarial (Loss)/Gain for the year on DBO	(2.63)	-
Actuarial (Loss)/Gain for the year on plan asset	-	-
Unrecognized actuarial (Loss)/Gain for the year	(2.63)	-

(vi) Bifurcation of Present Benefit Obligations (PBO) at the end of year in current and non current

Description	31 March 2023	31 March 2022
Current liability (Amount due within one year)	0.20	0.12
Non-Current liability (Amount due over one year)	6.62	1.46
Total PBO at the end of year	6.83	1.58

(vii) Change in plan assets

Description	31 March 2023	31 March 2022
Fair value of plan assets at the beginning of the year	-	-
Actual return on plan assets	-	-
Employer contribution	-	-
Benefit paid	-	-
Fair value of plan assets at the end of the year	-	-

(viii) Change in defined benefit obligations

Description	31 March 2023	31 March 2022
Defined benefit liability at the start of the year	1.58	-
Adjustments related to employees transferred to/from fellow subsidiaries	-	-
Interest Cost	0.18	-
Current service cost	6.68	1.58
Re-measurements (gain)/loss for the year	(2.63)	-
Benefit paid directly by the Company	-	-
Transfer in/out	1.01	-
Defined benefit liability at the end of the year	6.83	1.58

(ix) The amount included in the balance sheet arising in respect of its defined benefit obligations/plans

Description	31 March 2023	31 March 2022
Present value of defined benefit obligations/ plans	6.83	1.58
Fair value of plan assets	-	-
Net defined benefit obligations	6.83	1.58



KNR TIRUMALA INFRA PVT LTD
CIN - U45500TG2018PTC123857
Notes forming part of Financial Statements March 31, 2023
(All amounts in ₹ lacs unless otherwise stated)

Disclosure relating to employee benefits pursuant to Ind AS 19 - Employee Benefits (Continued.)

(x) **Sensitivity analysis for gratuity liability:**

Description	31 March 2023	31 March 2022
Impact of change in discount rate		
Present value of obligations at the end of the period/year	6.83	1.58
- Impact due to decrease of 0.50%	7.13	1.66
- Impact due to increase of 0.50%	(6.54)	(1.51)
Impact of change in salary increase		
Present value of obligations at the end of the period/year	6.83	1.58
- Impact due to decrease of 0.50%	(6.54)	(1.52)
- Impact due to increase of 0.50%	7.14	1.65

The above sensitivity analysis is based on a change an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligations to significant actuarial assumptions the same method (present value of the defined benefit obligations calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligations liability recognised in the Balance Sheet.

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to previous periods.

(xi) **Actuarial assumptions:**

Description	31 March 2023	31 March 2022
Discount rate range	7.40%	6.95%
Rate of increase in compensation levels range	7.5% for the first year and 6.3% thereafter	0.10
Retirement age	58 Years	58 Years
Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
Attrition at age (Withdrawal rate %)		
- Up to 30 Years	9%	9%
- From 31 to 44 years	9%	9%
- Above 44 years	9%	9%

32 Capital and other commitments

Particulars	31 March 2023	31 March 2022
Estimated amount of contracts remaining to be executed on capital account not provided for (Net of Advance) towards:		
- Property, plant and equipment	-	-
- Intangible assets- Rights under service concession arrangements	-	-
Estimated amount of contracts remaining to be executed on revenue expenses not provided for (Net of Advance) towards:		
- Professional Fees on Services	-	-
Total	-	-

The Company has other commitments for purchase orders which are issued after considering requirements per operating cycle for purchase of goods and services in normal course of business. The Company does not have any other long term commitments or material non-cancellable contractual commitments/contracts, which might have material impact on the Financial Statements of the Company.

33 Contingent liabilities and claims

Particulars	31 March 2023	31 March 2022
a) Claims against the Company not acknowledged as debt in respect of Indirect tax matters (GST) Company has received the Show cause notice and DRC-07 from GST OF THE ASST. COMMISSIONER (ST), TIRUPATI-II CIRCLE, TIRUPATI. After hearing of notice, issued order under DRC-07. Company has filed writ petition against this order. Detail as under :-		

Amount in lacs

FY	Matter / Assignment	Forum	Date of issue of notice	Authority document	Disputed Tax	Interest	Penalties	Total	Pre-deposit	Remarks
2018-19	Suppression of turnover	ASSISTANT COMMISSIONER (ST)	17-03-2022	DRC07	9.97	6.93	9.97	26.87	0.997	Writ has been filed with High Court with pre-deposit payment of 10% of tax amount
2019-20	Suppression of turnover	ASSISTANT COMMISSIONER (ST)	18-03-2022	DRC07	7,446.45	3,131.49	7,446.45	18,024.39	744.65	Writ has been filed with High Court with pre-deposit payment of 10% of tax amount
2020-21	Suppression of turnover	ASSISTANT COMMISSIONER (ST)	18-03-2022	DRC07	3,887.93	829.63	3,887.93	8,605.50	388.79	Writ has been filed with High Court with pre-deposit payment of 10% of tax amount



34 Related parties

A. List of related parties and nature of relationship

S. No.	Name of the related party	Nature of relationship
1	KNR Constructions Limited	Holding Company & EPC Contractor (till 20 October 2022)
2	Kapil Navvar	Director
3	Javesh Ramniklal Desai	Director
4	Cube Highways and Infrastructure III Pte Limited	Holding Company (Since 21 October 2022)
5	Cube Highways and Infrastructure III Pte Limited	Significant influence (Till 21 October 2022)
6	Cube Highways And Transportation Assets Advisors Pvt. Ltd.	Common directors

B. Transactions and outstanding balances with related parties in the ordinary course of business

Transactions during the year		Year ended March 31, 2023	Year ended March 31, 2022
1	KNR Constructions Limited	Deemed Equity (Unsecured loan)	4,080.00
		EPC Cost (Inflation)	18,513.70
		Utility of Expenses	122.02
		Reimbursement of expenses	647.67
		Equity Share Capital	3,652.88
		Operation and Maintenance Expenses	486.35
		Reimbursement of expenses (Insurance)	36.85
2	Cube Highways and Infrastructure III Pte Limited	Term Loan-Unsecured	145.58
		Equity Share Capital	3,652.88
		Interest on 12% Optionally Convertible Debentures	267.97
3	Cube Highways And Transportation Assets Advisors Pvt. Ltd.	12% Optionally Convertible Debentures	8,859.50
		Management Service Charges	16.57
4	Kapil Navvar	Director Sitting Fee	0.80
5	Javesh Ramniklal Desai	Director Sitting Fee	0.80

S. No.	Name of the related party	Closing balance	As at March 31, 2023	As at March 31, 2022
1	KNR Constructions Limited	Share capital	-	3,652.88
		Mobilisation Advance Recovered (COS)	-	655.38
		EPC Payable	-	157.52
		Withheld and other payable	975.45	-
		O&M Payable	-	530.70
		Reimbursement of Expenses Payable	-	697.30
		GST Withheld Payable	-	29.13
		Term Loan-Unsecured	-	145.58
2	Cube Highways and Infrastructure III Pte Limited	12% Optionally Convertible Debentures	3,225.50	8,859.50
		Equity Share Capital	7,162.50	3,509.62
		Interest accrued but not due on optionally convertible debentures	483.92	227.77
3	Cube Highways And Transportation Assets Advisors Pvt. Ltd.	Management Service Charges	4.68	7.08



35 Fair value disclosures

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the Balance Sheet are divided 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 financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation process and technique used to determine fair value

The fair value of investments in mutual fund units are based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at each reported balance sheet dates. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

(ii) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed as follows:

Particulars	Levels	31 March 2023		31 March 2022	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets measured at amortised cost:					
Security deposits	3	6.21	6.21	-	-
Trade receivables	3	1,229.82	1,229.82	1,729.83	1,729.83
Cash and cash equivalents	1	7,836.68	7,836.68	4,189.54	4,189.54
Bank balance other than cash and cash equivalents	1	3,700.00	3,700.00	-	-
Other financial assets	3	47,602.67	47,602.67	57,905.02	57,905.02
Total financial assets		60,375.38	60,375.38	63,824.39	63,824.39
Financial liabilities at amortised cost					
Borrowings	3	51,550.63	51,550.63	47,617.69	47,617.69
Trade payables	3	1,143.62	1,143.62	1,529.31	1,529.31
Other financial liabilities	3	1,118.28	1,118.28	354.56	354.56
Total financial liabilities at amortised cost		53,812.53	53,812.53	49,501.56	49,501.56

(iii) Fair value of instruments measured at FVTPL

Financial liabilities at FVTPL:

Borrowings	3	3,225.50	3,225.50	8,859.50	8,859.50
Total financial liabilities at FVTPL		3,225.50	3,225.50	8,859.50	8,859.50

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other current financial assets, trade payables, current borrowings and other current financial liabilities (except current maturities of long term borrowings, deferred payment liabilities and current portion of annuity receivable) is approximate to their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(i) Long-term fixed rate receivables are evaluated by the company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factor.

(ii) The fair values of the company's loans and receivables from/to related parties and others are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at the reporting period end was assessed to be insignificant.

(iii) All the other long term borrowing facilities availed by the company are variable rate facilities which are subject to changes in underlying interest rate indices. The management believes that the current rate of interest on these loans are in close approximation from market rates applicable to the company. Therefore, the management estimates that the fair value of these borrowings are approximate to their respective carrying values.

36 Financial risk management

i) Financial instruments by category

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Security deposits	-	-	6.21	-	-	-
Other financial assets	-	-	47,602.67	-	-	57,905.02
Trade receivables	-	-	1,229.82	-	-	1,729.83
Cash and cash equivalents	-	-	7,836.68	-	-	4,189.54
Other bank balances	-	-	3,700.00	-	-	-
Total	-	-	60,375.38	-	-	63,824.39
Financial liabilities						
Borrowings	3,225.50	-	51,550.63	8,859.50	-	47,617.69
Trade payables	-	-	1,143.62	-	-	1,529.31
Other financial liabilities	-	-	1,118.28	-	-	354.56
Total	3,225.50	-	53,812.53	8,859.50	-	49,501.56

ii) Risk Management

The Company's activities expose it to variety of financial risks : credit risk, liquidity risk and market risk. Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors of the Company has overall responsibility for the establishment and oversight of Company's risk management framework. The Board of Directors of the Company have established a risk management policy to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and Company's activities. The Board of Directors of the Company's oversee compliance with Company risk management policies and procedures, and reviews the risk management framework.

A) Credit risk management

Credit risk is the risk of financial loss to Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Company's receivables from customers; loans and investments in debt securities. Company maximum exposure to credit risk is limited to the carrying amount of following types of financial assets:

- cash and cash equivalents,
- trade receivables,
- other financial assets, and
- deposits with banks

The Company has credit risk on trade receivables related change of scope and other claims from NHA1 and ETC receivable. In case of majority of Trade Receivable, the counter party being the Government Undertaking as such does not have significant credit risk. However, Company estimates the expected credit loss based on specific identified basis.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, annuity receivable, receivable from related parties and other Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits,



KNR TIRUMALA INFRA PVT LTD
CIN - U45500TG2018PTC123857
Notes forming part of Financial Statements March 31, 2023
(All amounts in ₹ lacs unless otherwise stated)

B) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. Company is exposed to liquidity risk due to borrowings and trade and other payables. Company measures risk by forecasting cash flows. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

(a) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting periods:

Floating rate	31 March 2023	31 March 2022
- Expiring within one year	-	-
- Expiring beyond one year	-	-
	-	-

(b) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity categories based on their contractual maturities for all non-derivative financial liabilities: The amounts disclosed in the table are the contractual undiscounted cash flows net of processing fees.

31 March 2023	Less than 1 year	1-2 year	2-5 year	More than 5 years	Total
Borrowings	4,689.00	3,594.90	12,035.10	34,457.13	54,776.13
Trade payables	1,143.62	-	-	-	1,143.62
Other financial liabilities	1,118.28	-	-	-	1,118.28
Total	6,950.90	3,594.90	12,035.10	34,457.13	57,038.03

31 March 2022	Less than 1 year	1-2 year	2-5 year	More than 5 years	Total
Borrowings	53,397.27	3,225.50	-	-	56,622.77
Trade payables	1,529.31	-	-	-	1,529.31
Other financial liabilities	354.56	-	-	-	354.56
Total	55,281.14	3,225.50	-	-	58,506.64

C) Market risk

(a) Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the reporting periods end, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in fixed deposits pay fixed interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	31 March 2023	31 March 2022
Variable rate borrowing	-	-
Fixed rate borrowing	54,776.13	56,622.77
Total borrowings	54,776.13	56,622.77

Sensitivity

Below is the sensitivity of profit or loss and equity changes in interest rates.

Particulars	31 March 2023	31 March 2022
Interest sensitivity*		
Interest rates – increase by 50 bps*	-	-
Interest rates – decrease by 50 bps*	-	-
<i>* Holding all other variables constant</i>		

ii) Assets

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107 'Financial Instruments Disclosures', since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(b) Price risk

i) Exposure

The Company requires for implementation (construction, operation and maintenance) of the projects various commodities such as cement, bitumen, steel and other construction materials which are exposed to price risk. The Company are able to manage its exposure to price increases through bulk purchases and better negotiations. Hence, the sensitivity analysis is not required to be provided.

The Company's exposure to price risk arises from investments held and classified in the Balance Sheet at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets through fixed rate investment like deposit with bank and investment in mutual funds (Growth Scheme).

37 Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company's policy is to keep the gearing ratio optimum. Net debt includes non-current borrowings (including current maturity of non-current borrowings less cash and cash equivalents and other bank deposits (net of restricted deposits)).

Debt equity ratio

Particulars	31 March 2023	31 March 2022
Debts	54,776.13	56,622.77
Less : Cash & cash equivalents and Bank balances other than cash and cash equivalents (net of restricted deposits)*	7,836.68	4,189.54
Net Debt	62,612.81	60,812.31
Total equity	6,978.76	10,302.03
Net debt to equity ratio (in times)	8.97	5.90

#REF!

(This space has been intentionally left blank)



KNR TIRUMALA INFRA PVT LTD
CIN - U45500TG2018PTC123857
Notes forming part of Financial Statements March 31, 2023
(All amounts in ₹ lacs unless otherwise stated)

The Non-Convertible Debentures are secured by -

"Primary Security" which means (i) a first ranking charge in respect of the Series A Debentures, and (ii) a second ranking charge in respect of the Series B Debentures, over:

1. all the Issuer's fixed assets and tangible movable assets, both present and future (except the Project Assets);
2. all bank accounts of the Issuer, including the Existing Account, the Escrow Account and its sub-accounts, the Debt Service Reserve Account (or any account in substitution thereof) both present and future (except the Project Assets);
3. the current and non-current assets of the Issuer, both present and future (except the Project Assets);
4. all revenues and receivables of the Issuer, the book debts of the Issuer, the operating cash flows of the Issuer, uncalled capital of the Issuer, Sponsor Contribution received by the Issuer and all other commissions and revenues and cash of the Issuer (including Termination Payments), both present and future (except the Project Assets);
5. all intangible assets, goodwill, rights, Intellectual Property rights and undertaking of the Issuer, both present and future (except the Project Assets);
6. all the rights, title, interests, benefits, claims and demands whatsoever of the Issuer in the Project Documents (except the Project Assets);
7. the rights, title, interests and benefits of the Issuer in, to and under all the Clearances, to the extent permissible by Applicable Law (except the Project Assets);
8. all the rights, title, interests, benefits, claims and demands whatsoever of the Issuer under all Insurance Contracts, policies and insurance proceeds;
9. the Issuer's rights, title and interest in the Concession pursuant to the execution of the Substitution Agreement; and

"Additional Security" which means an exclusive pledge over up to 51% of the Shares on a fully diluted basis and the Issuer Securities issued by the Issuer, created in favour of the Debenture Trustee (acting on behalf of the Debenture Holders), in accordance with the terms of the Pledge Agreement.



38 Information on segment reporting pursuant to Ind AS 108 - Operating Segments

The Company is engaged in the business of construction, operation and maintenance of Toll road projects on a Hybrid Annuity Model basis and thus operates in a single business segment. Hence, reporting of operating segments does not arise. The Company does not have operations outside India. Hence, disclosure of geographical segment information does not arise.

39 Corporate social responsibility

	Year ended March 31, 2023	Year ended March 31, 2022
a) Gross amount required to be spent by the Company during the year	-	-
b) Amount spent during the year		
i) Construction/acquisition of any asset - In cash	-	-
ii) On purposes other than (i) above	18.05	-
c) Shortfall/(Excess amount spent)		
Opening Balance	-	-
Amount required to be spent during the year		
Amount spent during the year	(18.05)	-
Closing Balance	(18.05)	-
d) Details related to spent / unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust	-	-
iii) Unspent amount in relation to:		
- Ongoing project	-	-
- Other than ongoing project	-	-
e) Details of related party transactions, if any	-	-
f) Nature of CSR activities	-	-

40 Micro Enterprises and Small Enterprises related disclosure

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	2.22	14.98
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day		
- Principal	-	-
- Interest	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro Enterprises and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

41 Service Concession Arrangement

Description of the Arrangement

The Company has entered into a Service Concession Arrangement ("SCA") with National Highway Authority of India ("NHAI") for the Six laning of Chittoor (Design Km 0.000/Existing Km 158.000) to Mallavaram (Design Km 61.128/Existing Km 41.8000) of NH -140 under Bharatmala Pariyojana on Hybrid Annuity Mode in the State of Andhra Pradesh. The company received appointed date on 04th January 2019.

Significant terms of arrangement

The Concessionaire is obligated to construct the Asset(Road), to meet the obligation the Concessionaire will get the Construction support of 40% of Bid Project Cost (BPC) from the authority and the balance cost need to be funded through Debt and Equity.

The Concession agreement entered between the parties is for a period of 17.5 years including 2.5 years of construction period.

The Construction Support from the Authority i.e. 40% of BPC will be adjusted with price index multiple on the respective mile stone payment. Based on the Price index multiple on the respective mile stones the Completion cost will be derived.

Nature & extent

The Concessionaire is not having any right to collect the toll from users, At the end of the concession period the road will be transferred to the authority and the Company will have no further involvement in its operation or maintenance.

The Company will receive the Semi annual Annuity payments on the balance completion cost from the Authority as per Article 23.6.3 of the Concession Agreement.

The company will also get the Interest @ RBI bank rate +3% on Semi annual basis on the reducing balance completion cost remaining to be paid as per Article 23.6.4 of the Concession Agreement.

The company will also get the Operation & Maintenance Income based on the O&M bid submitted on semi annual basis as per Article 23.7 of the Concession Agreement, and the same will be adjusted with price index multiple on the respective date.

Classification

The Company has right to receive an annuity payment from the Authority as per Article 23.6 of the Concession Agreement , Accordingly, the Company has recognised its financial asset. And the revenue will be created on the Financial asset as per IND AS 115, instead of actual Annuity received. The Construction income & Construction Cost will be recognised based the expenditure incurred from time to time.

During the year, the Company has recorded revenue of Rs.18,567.96 Lakhs on account of Construction Income, Rs.8,675.98 lakhs on account of Finance Income, Rs. 549.14 lakhs on account of O& M Income and Rs. 971.99 lakhs on account of Major Maintenance Income , and received a construction support of Rs.11,210.80 lakhs from NHAI and the above items has been adjusted with Financial asset receivable.

(This space has been intentionally left blank)



KNR TIRUMALA INFRA PVT LTD
 CIN - U45500TG2018PTC23857
 Notes forming part of Financial Statements March 31, 2023
 (All amounts in ₹ lacs unless otherwise stated)

42. Ratio Analysis and its elements

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022:

Ratio	Numerator	Denominator	Unit of measurement	March 31, 2023		March 31, 2022		Variation	Remarks	
				Numerator's Value	Denominator's Value	Ratio	Numerator's Value			Denominator's Value
Current ratio	Current Assets	Current Liabilities	Times	31,673.54	6,981.32	4.54	25,936.67	6,287.48	4.13	9.98%
Debt- Equity Ratio	Total Debt	Shareholder's Equity	Times	54,776.13	6,978.76	7.85	56,622.77	10,302.03	5.50	42.81%
Debt Service Coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses (Depreciation & amortisation) + Finance costs	Debt service = Interest + Lease Payments + Principal Repayments	Times	1,309.16	57,988.69	0.02	1,340.46	3,715.13	0.36	Variation is due to refinancing of old loans as a result same is shown under principal payments.
Return on Equity Ratio	Net Profits after taxes - Preference Dividend	Average Shareholder's Equity	Percentage	(3,325.90)	8,640.40	(0.38)	(2,383.22)	13,984.15	(0.17)	Variation is due to loss during the year.
Inventory Turnover Ratio	Cost of goods sold or Sales	Average Inventory	Times	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	Times	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	Times	1,795.89	1,336.47	1.34	27,552.42	11,136.19	2.47	-45.69%
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current Liabilities	Times	3,561.72	24,692.22	0.14	28,765.07	19,649.19	1.46	During FY 21-22, construction activities were involved which resulted in more Credit purchases and Trade payables. During the current year, no major construction activity and the trade payables are repaid.
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	Times	(3,325.90)	3,561.72	(0.93)	(2,383.22)	28,765.07	(0.08)	During FY 21-22, construction activities were involved which resulted in construction income and hence increased sales & finance income as per IND-AS was more. No such activity in the current year.
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt - Deferred Tax Liability	Percentage	3,123.60	63,574.92	0.05	1,240.31	66,924.80	0.02	During FY 21-22, construction activities were involved which resulted in construction income and hence increased sales & finance income as per IND-AS was more. No such activity in the current year.
Return on Investment	Income generated from investments	Weighted average value of investments	Percentage	395.93	7,653.86	0.05	22.52	2,009.98	0.01	Increase in EBITDA during the year as result of reversal of the MMR provision created in the FY 2021-22 of Rs. 938 Lacs)

*The amounts capitalised as intangible assets being the right of the Company under the Concession Agreement (to collect toll fees from the users of the Protect Highway) is included as part of tangible net worth.
 Note - The above Non-GAAP measures presented may not be comparable to similarly titled measures reported by other companies. Further, it should be noted that these are not a measure of operating performance or liquidity defined by generally accepted accounting principles.



KNR TIRUMALA INFRA PVT LTD

CIN - U45500TG2018PTC123857

Notes forming part of Financial Statements March 31, 2023

(All amounts in ₹ lacs unless otherwise stated)

43 Impairment of assets

The credit risk on the financial assets has not increased since the initial recognition, therefore company measure the loss allowance for the financial assets at an amount equal to 12 month expected credit losses. Since the financial assets are expected to be realised within the contractual period of the invoice raised, as such, there is no ECL (expected credit loss) envisaged in the value of financial assets under SCA (Service Concession agreement) by the management.

44 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

45 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

46 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

47 The Company does not have any transactions with struck-off companies.

48 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

49 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

50 The Company have not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall: 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 to or on behalf of the Ultimate Beneficiaries.

51 The Company have not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

52 The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

53 The Company has not availed any facilities from banks on the basis of security of current assets.

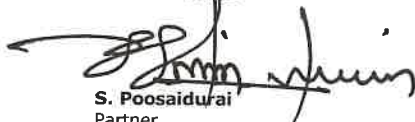
54 The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

55 Previous period figures have been re-grouped and/ or re-arranged wherever necessary to make their classification comparable with the current period.

56 The financial statements were approved for issue by the Board of Directors on 15 May 2023.

As per our report of even date attached

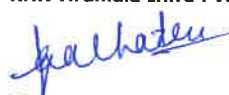
For M.K. Dandekar & Co. LLP
Chartered Accountants



S. Poosaidurai
Partner
Membership No: 223754
Place: Chennai
Date: 15 May 2023



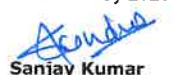
For and on behalf of the Board of Directors of
KNR Tirumala Infra Pvt Ltd



Gaurav Malhotra
Director
DIN: 09422131
Place: Noida
Date: 15 May 2023



Kankana Krishnarao
Chief Executive Officer
Place: Noida
Date: 15 May 2023



Sanjay Kumar
Company Secretary
Place: Noida
Date: 15 May 2023



Bovin Kumar
Director
DIN: 08571658
Place: Noida
Date: 15 May 2023



Krishna Yendluri
Chief Financial Officer
Place: Noida
Date: 15 May 2023