



Ref.: MPL/HYD/SE/34th AR/2024-25

Date: 03-09-2024

The Bombay Stock Exchange (BSE) Corporate Relationship Dept., 1st Floor, New Trading Ring Rotunda Building, PJ Towers Dalal Street, Fort, Mumbai -400 001 BSE Script code: 531497	The National Stock Exchange (NSE) of India Limited, 5th Floor, Exchange Plaza, Bandra (East), Mumbai- 400 051. NSE Script code: MADHUCON
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Dear Sirs,

Sub.: Submission of 34th Annual Report FY 2023-24 under Regulation 30 and 34 (1) of the SEBI (LODR) Regulations, 2015.

Pursuant to the Regulation 30 & 34 of the SEBI (LODR) Regulations 2015, we wish to inform you that the **34th Annual General Meeting (AGM) of the Members of the Company** will be held on **Friday, 27th September, 2024 at 3.00 P.M. ("IST")** at the Registered Office of the Company, Khammam.

Pursuant to the **Regulation 34(1)** of the SEBI (LODR) Regulations, we submit herewith **34th Annual Report for the Financial Year 2023-24** for your reference. The same is also available on the Company's website.

As intimated earlier to your good offices, pursuant to Regulation 42 of the SEBI LODR Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 21st September, 2024 to Friday, 27th September, 2024 (both days inclusive)** for the purpose of the 34th AGM.

Kindly take them on record.

Thanking you,
For Madhucon Projects Limited



(D. Malla Reddy)
Company Secretary & Compliance Officer

Enclosed: 34th Annual Report 2023-24



MADHUCON

MADHUCON

PROJECTS LIMITED

AN ISO-9001 : 2008 COMPANY



Central Conveyor (CC-4): Technological Structures & Arrangement of Belt Laying in Progress at Nigahi 10.00 MTPA OCP CHP Project in Madhya Pradesh



Construction of 20000 tonne capacity over ground coal storage bunker for 9.50 MTPA NCL BINA KAKRI Project is under progress

34th
ANNUAL REPORT
2023 - 2024





MADHUCON PROJECTS LIMITED

(CIN:L74210TG1990PLC011114)

AN ISO-9001 : 2008 COMPANY

**34th Annual Report
2023 - 2024**



Corporate Information

Board of Directors

Mr. RamadasKasarneni	Chairman and Independent Director
Mr. N.Seethaiah	Managing Director
Mr. Mohammad Shafi	Joint Managing Director
Mr. P. Madhava Rao	Independent Director
Mrs. Ch.Lakshimi Kumari	Woman-Independent Director
Mr. K. Venkateswarlu	Director Cum CFO
Mrs. Geeta Battula	Independent Director
Mr. Samba Siva Rao Jasty	Director-Finance & Accounts

Key Managerial Personnel

Mr. D. Malla Reddy	Company Secretary
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Registered Office

1-7-70, MadhuComplex, Jublipura,
Khammam-507003.

Corporate Office

Madhucon House, Plot No.1129/A,
RoadNo.36, JubileeHills, Hyderabad-500033.

Statutory Auditors

M/s P.Murali & Co.,
Chartered Accountants,
6-3-655/2/3, Somajiguda,
Hyderabad-500036

Registrar & Share transfer Agents

M/s Kfin Technologies Private Limited
Karvy Selenium Tower-B, Plot31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad-500032

Bankers

Axis Bank Limited.
Canara Bank.
ICICI Bank Limited.
Punjab National Bank

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To

The Members,

Madhucon Projects Limited

NOTICE is hereby given that the 34th Annual General Meeting of the Members of Madhucon Projects Limited will be held on **Friday, 27th September, 2024 at 03:00 P.M (IST)** at the Registered Office of the Company situated at 1-7-70, Madhu Complex, Jublipura, Khammam-507003 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Standalone Financial Statements of the Company in IND AS format for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and Auditors' thereon; and
 - b) The Audited Consolidated Financial Statements of the Company in INDAS format for the financial year ended 31st March, 2024 together with the report of the Auditors' thereon.
2. To appoint a director in place of Mr. K. Venkateswarlu (DIN: 09713108), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. Re-appointment ratification of Mr. Mohammad Shafi, (DIN: 07178265) as Joint Managing Director of the Company: To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT as recommended by the Nomination and Remuneration Committee of the board, subject to approval of the members of the Company in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and consent of the board members be and is hereby accorded for reappointment of Mr. Mohammad Shafi, (DIN: 07178265) as Joint Managing Director of the Company for the period of 3 years w.e.f. 30th May, 2024 on monthly remuneration of Rs.3,00,000/- (Three Lacs Only).

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and deeds as may be necessary, proper or expedient to give effect to this resolution."

4. Ratification for continuation approval of Mr. Ramadas Kasarneni (DIN: 02182093) as a Non-Executive Independent Director of the Company beyond the Age of 75 (seventy five) years.

To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **S p e c i a l Resolution.**

"RESOLVED THAT as recommended by the Nomination and Remuneration Committee of the board and subject to approval of the members of the Company by Special Resolution in pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder (including any amendments thereto or re-enactment thereof, for the time being in force) and consent of the board members be and is hereby accorded for continuation of directorship of Mr. Ramadas Kasarneni (DIN: 02182093) on attaining the age of 75 (seventy five) years on 10-06-2024 as Non-executive Independent Director of the Company beyond the age of 75 (seventy five) years till the expiry of his current term till 12th August, 2026.

"RESOLVED FURTHER THAT the Board of Directors of the Company and / or Company Secretary of the Company be and are hereby severally and/or jointly authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To appoint and approve the remuneration of the Cost Auditor for the financial year ending on 31st March, 2025.

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or enactment(s) thereof, for the time being in force), the remuneration of Rs.1,50,000.00 (Rupees One Lakh fifty Thousand only) inclusive of all taxes payable, M/s AS RAO & CO., Cost Accountants (Firm Registration No. 000326), the Cost Auditors of the Company to conduct audit of cost records made and maintained by the Company for the financial year ending 31st March, 2025, as recommended by Audit Committee and approved by the Board of Directors be and is hereby ratified.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. Approval for Non-Provision of the Interest on Working Capital Loans & Unsecured Loans of the Company:

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution:**

"RESOLVED FURTHER THAT the total interest provisions on Rs. 333.69 Cr. and Rs. 33.71 Cr. Working



Capital Loans and Term Loan respectively aggregating to Rs. 367.40 Cr. for the full financial year 2023-24 be not applied and provided for in the books of accounts of the Company on the basis that the Company has submitted the One Time Settlement proposal to all Working Capital Banks and Financial Institutions. Company is working for the approval, with required improvements, modifications, if any, as may be mutually agreed upon by and between the Company and Working Capital Banks / Financial Institutions."

**By Order of the board
for Madhucon Projects Limited**

Place: Hyderabad

Date: 06-08-2024

**D. Malla Reddy
Company Secretary**

NOTES:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the Annual General Meeting is annexed hereto.
2. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM. The process of remote e-voting with necessary instructions is given in the subsequent paragraphs.
3. The Company has appointed Mrs. Vendra Madhumita, Practicing Company Secretary (Membership No. ACS 52965) (PCS No. 19626), to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.
4. A member entitled to attend and vote at the Annual General Meeting ("Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of him/her-self and the proxy need not be a member of the Company. Proxies, in order to be effective, must be received by the Company not less than 48 hours before the meeting. Proxy form is attached herein. A person can act as proxy on behalf of the members not exceeding 50 (Fifty) and holding in the aggregate not more than 10% (Ten percent) of the total share capital of the Company carrying voting rights. A member holding more than 10% (ten percent) of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder as per rule 19 of the Companies (Management and Administration) Rules, 2014.
5. In line with the MCA Circulars, the notice of the 34rd AGM along with the Annual Report 2023-24 are being sent

only by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2023-24 will be available on the Company's website at <https://www.madhucon.com/investors/annual-reports/>, websites of the Stock Exchanges i.e. BSE Limited and NSE Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFintech at <https://evoting.kfintech.com>.

6. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited, (Unit: Madhucon Projects Limited) Selenium Tower B, Plot No. 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad-500 032.
7. Brief profile of the Directors proposed to be appointed / re-appointed is given as under as per the provisions of Regulation 36(3) of the Listing Regulations.

Name of Director	Mr. Mohammad Shafi	Mr. Ramadas Kasarneni
Date of Birth	18-01-1960	10-06-1950
Nationality	Indian	Indian
Date of Re-appointment	30-05-2024	13-08-2021
Qualifications	Diploma-Civil Engineer	BE-Electronics
Expertise in Functional Area Business	Jt. Managing Director, expertise in Technical, Administration & Financial	Independent Director, Business Professional
Shares held in the Company	NIL	NIL
List of Directorships held in other Companies	NIL	NIL
Chairman/Member Committee of Boards of other Companies in which he/she is a Director	NIL	NIL

8. Members holding shares in physical mode are also requested to register / update their e-mail address with the Company / KFintech for receiving all communications from the Company electronically.
9. Members who are holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to Registrar and Share Transfer Agent, KFin Technologies Private Limited (Unit: Madhucon Projects Limited), Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad - 500 032.
10. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 21st September, 2024 to Friday 27th September, 2024 (both days inclusive)**.



11. Members are requested to note that, dividends F.Y. 2016-17 if not en-cashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transfer to the Investor Education and Protection Fund ("IEPF") on due date in April, 2025.
12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before **Friday, 20th September, 2024** through email to cs@madhuccon.com. The same will be replied by the Company suitably.

ANNEXURE TO NOTICE:

Explanatory Statement Pursuant to the provisions of Section 102(1) of the Companies Act, 2013:

The following explanatory statement sets out all material facts relating to the special business mentioned under **Item Nos. 3 to 6** of the accompanying Notice.

Item No. 3: Re-appointment ratification of Mr. Mohammad Shafi, (DIN: 07178265) as Joint Managing Director of the Company:

Mr. Mohammad Shafi, (DIN: 07178265) was appointed as the Jt. Managing Director of the Company for the period of 3 years w.e.f. 29th May, 2021 vide 31st Annual General Meeting of the company, held on 30th September, 2021. Accordingly, tenure of the period of 3 years was completed by 29th May, 2024. The Board approved re-appointment of Mr. Mohammad Shafi, (DIN: 07178265) as Joint Managing Director of the Company for the period 3 years w.e.f. 30th May, 2024 on the base of recommendation of Nomination and Remuneration Committee Meeting held on 18th May, 2024 and now proposed to seek Members approval of the same, in terms of the applicable provisions of the said Act and Rules made there under.

Mr. Mohammad Shafi, (DIN: 07178265), is not disqualified from being re-appointed as a Director and Joint Managing Director in terms of section 164 (2) of the Companies Act, 2013. He has communicated his willingness with consent to act as Joint Managing Director of the Company. He satisfies all the conditions as set out in section 196(3) of the said Act and Part-I of Schedule V thereof and hence, is eligible for re-appointment. His brief profile is provided at notes to the Notice pursuant to the provisions of SEBI (LODR) Regulations.

Save and except Mr. Mohammad Shafi, (DIN: 07178265) and his relatives to the extent of their shareholding interest, if any, in the company, none of the other Directors, Key Managerial Personnel of the Company are their relatives, in any way, concerned or interested in the aforesaid resolution.

The Board recommends Ordinary Resolution set out in item No. 3 for the approval of members.

Item No. 4: Ratification for continuation approval of Mr. Ramadas Kasarneni (DIN: 02182093) as a Non-Executive Independent Director of the Company beyond the Age of 75 (seventy five) years.

Mr. Ramadas Kasarneni (DIN: 02182093) was appointed as the Non-Executive Independent Director of the Company for the period of 5 years w.e.f. 13th August, 2021 vide 31st Annual General Meeting of the company, held on 30th September, 2021. Accordingly, Special Resolution in pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder (including any amendments thereto or re-enactment thereof, for the time being in force) and consent of the board members be and is hereby accorded for continuation of directorship of Mr. Ramadas Kasarneni (DIN: 02182093) on attaining the age of 75 (seventy five) years on 10-06-2024 as Non-executive Independent Director of the Company beyond the age of 75 (seventy five) years till the expiry of his current term till 12th August, 2026.

No director, key managerial personnel of the Company are their relatives except Mr. Ramadas Kasarneni (DIN: 02182093) to whom the resolution relates, is interested or concerned in passing the proposed aforesaid resolution.

The Board recommends the Special Resolution set forth in item No. 4 for the approval of members.

Item No. 5: To appoint and approve the remuneration of the Cost Auditor for the F.Y. ending on 31st March, 2025:

Board of Directors of the Company, on the recommendation of Audit Committee approved the appointment and remuneration of M/s AS RAO & CO., Cost Accountants (Firm Registration No. 000326) as the Cost Auditors of the Company to conduct the audit of the Cost Records of the Company for the financial year ending on 31st March, 2025. In terms of the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as approved by Board of Directors, has to be ratified by the Shareholders of the Company. Accordingly, the Shareholders are requested to ratify the remuneration of Cost Auditor for the financial year ending 31st March, 2025, as set out in the Ordinary Resolution Item No. 5.

None of the Directors and Key Managerial Personnel of the Company is concerned or interested financially or otherwise, in the said Resolution.

Item No. 6: Approval for Non-Provision of the Interest on Working Capital Loans & Unsecured Loans of the Company:

Approval for Non-Provision of the Interest on Working Capital Loans and Unsecured Loans:

The board members discussed in this connection and that the Company has submitted the One Time Settlement (OTS) proposal to each of the Working Capital Banks and is working



with them. The Company is hopeful to get it approved with suitable modifications, if any. It was further deliberated that as the Company has put up OTS proposal with each Working Capital Bank against their respective outstanding, Interest provision on working capital loans and unsecured loans was not made.

None of the Directors and Key Managerial Personnel of the Company is concerned or interested financially or otherwise, in the said Resolution.

**By Order of the board
for Madhucon Projects Limited**

Place: Hyderabad
Date: 06-08-2024

**D. Malla Reddy
Company Secretary**

INSTRUCTIONS FOR REMOTE E-VOTING:

1. Use the following URL for e-voting from KF intech website: <https://evoting.kfintech.com>.
2. Members of the Company holding shares either in physical form or in dematerialized form, as on 20th September, 2024, the cutoff date, may cast their vote electronically.
3. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFintech for e-voting, use your existing User ID and password for casting your votes.
4. After entering the details appropriately, click on LOGIN.
5. You will reach the Password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (az), one numeric value (0-9) and a special character (@, #, \$ etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
6. You need to login again with the new credentials.
7. On successful login, the system will prompt you to select the EVENT i.e., Madhucon Projects Limited.
8. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
9. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
10. Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution.
11. The Portal will open for voting from 9.00 a.m. on Tuesday, 24th September, 2024 and closes at 5.00 p.m. on Thursday, 26th September, 2024 with E-Voting Sequence number (EVSN – 8261).
12. Members of the Company who have purchased their shares after the dispatch of the Notice but before the cutoff date (20th September, 2024) may contact KFintech at Tel No. 1800 309 4001 (toll free) to obtain login id and password or send a request to inward.ris@kfintech.com.
13. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.kfintech.com> or contact KFintech at Tel No. 1800 309 4001 (toll free).
14. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-voting facility.
15. The voting results declared along with the Scrutinizer's Report shall be placed on the Company's website www.madhucon.com and the website of the Registrar and Share Transfer Agent viz., evoting@kfintech.com immediately after the declaration of the result by the Chairman or a person authorized by the Chairman. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

Procedure to login through websites of Depositories:

NSDL	CDSL
<p>1. Users already registered for IDeAS facility of NSDL</p> <p>a. Click on URL: https://eservices.nsd.com.</p> <p>b. Click on the "Beneficial Owner" icon under 'IDeAS' section.</p> <p>c. Enter your User ID and Password for accessing IDeAS,</p> <p>d. On successful authentication, you will enter your IDeAS service login.</p> <p>e. Click on "Access to e-Voting".</p> <p>f. Click on Company name or e-voting service provider and you will be re-directed to KFintech website for casting the vote during the remote e-voting period.</p> <p>2. Users not registered for IDeAS facility of NSDL</p> <p>a. To register, click on URL: https://eservices.nsd.com</p> <p>b. Select "Register Online for IDeAS".</p> <p>c. Proceed to complete registration using your DPID, Client ID, Mobile Number, etc.</p> <p>d. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.</p> <p>3. Users may directly access the e-voting module of NSDL as per the following procedure:</p> <p>a. Click on URL: https://www.evoting.nsd.com/</p> <p>b. Click on the button "Login" available under "Shareholder / Member" section.</p> <p>c. Enter your User ID (i.e. 16-digit demat account number held with NSDL), login type, Password / OTP and Verification code as shown on the screen</p> <p>d. On successful authentication, you will enter the e-voting module of NSDL</p> <p>e. Click on Company name or e-voting service provider and you will be re-directed to KFintech website for casting the vote during the remote e-voting period.</p>	<p>1. Users already registered for Easi/Easiest facility of CDSL</p> <p>a. Click on URL: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi</p> <p>b. Enter your User ID and Password for accessing Easi / Easiest.</p> <p>c. Click on Company name or e-voting service provider for casting the vote.</p> <p>2. Users not registered for Easi/Easiest facility of CDSL</p> <p>a. To register, click on URL https://web.cdslindia.com/myeasi/home/login</p> <p>b. Proceed to complete registration using your User ID, Client Id, Mobile Number, etc.</p> <p>c. After successful registration, please follow steps give under Sr. No. 1 above to cast your vote.</p> <p>3. Users may directly access the e-voting module of CDSL as per the following procedure:</p> <p>a. Click on URL: www.cdslindia.com</p> <p>b. Provide demat account number and PAN</p> <p>c. System will authenticate user by sending OTP on registered mobile & email as recorded in the demat account</p> <p>d. On successful authentication, your will enter the e-voting module of CDSL.</p> <p>e. Click on Company name or e-voting service provider and you will be re-directed to KFintech website for casting the vote during the remote e-voting period.</p>

Procedure to login through their demat accounts / website of Depository Participant

NSDL	CDSL
<p>Individual shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL. An option for "e-Voting" will be available once they have successfully logged-in through their respective logins. Click on the option "e-Voting" and they will be redirected to e-Voting modules of NSDL/CDSL (as may be applicable). Click on the e-Voting link available against the name of Company or select e-Voting service provider "KFintech" and you will be redirected to the e-Voting page of KFintech to cast your vote without any further authentication.</p>	
<p>Members who are unable to retrieve User ID / Password are advised to use "Forgot User ID" / "Forgot Password" options available on the websites of Depositories / Depository Participants.</p>	
Contact details in case of technical issue on NSDL website	Contact details in case of technical issue on CDSL website
<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022 23058738 or 22-23058542-43.</p>



Directors' Report

Your Directors have pleasure in presenting the 34th Annual Report of the Company together with the Audited Financial Statements for the year ended March 31, 2024.

1. FINANCIAL SUMMARY

(` Rs.in Lakhs)

S. No.	Particulars	Standalone	Year ended	Consolidated	Year ended
		31.03.2024	31.03.2023	31.03.2024	31.03.2023
		(Audited)	(Audited)	(Audited)	(Audited)
1	Income from Operations:				
	(a) Net Sales/ Income from Operations	95124.33	90080.64	116375.27	116230.46
	(b) Other income	25442.41	13404.78	30140.46	90153.51
	Total Income	120566.74	103485.42	146515.73	206383.97
2	Expenses:				
	(a) Cost of Materials Consumed	81834.01	77911.03	94955.68	103075.48
	(b) Changes in Inventory of Finished goods, Work-in-Progress and stock-in-trade	-	-	-	-
	(c) Employee benefits expense	1874.02	1939.41	2279.01	2996.83
	(d) Other expenses	37553.88	24411.64	49043.43	35419.83
	(e) Financial Costs	724.02	202.97	4142.37	4712.18
	(f) Depreciation and amortization expense	611.26	581.96	3181.01	79893.93
	Total Expenses	122597.19	105047.00	153601.50	226098.25
3	Profit/(Loss) Before Exceptional Items (1-2)	(2030.45)	(1561.58)	(7085.77)	(19714.28)
4	Exceptional Items Share of (Loss) from Associate Co.,				-
5	Profit/(Loss) Before Tax (3-4)	(2030.45)	(1561.58)	(7085.77)	(19714.28)
6	Tax Expense				
	a) Current Tax -	-	-	-	-
	b) Income Tax Refund Received	-	-	(7.36)	8.91
	c) Deferred Tax	(1003.51)	(2007.69)	(1003.51)	(2007.69)
	Total Tax (a+b)	(1003.51)	(2007.69)	(1010.87)	(1998.78)
7	Net Profit/(Loss) After Tax (5-6)	(1026.94)	446.11	(6074.91)	(17715.50)
	Share of Loss transferred to Non-Controlling Interest	-	-	(1563.24)	(3345.59)
	Profit/(Loss) after Tax after Non-Controlling Interest	--	446.11	(4511.66)	(14369.91)
	Share of Profit/Loss from Associated Companies	-	-	-	-
	Profit/(Loss) after Tax after Share of Minority Interest & Associated Companies	(1026.94)	446.11	(4511.66)	(14369.91)
8	i. Other Comprehensive Income	47.35	43.10	47.35	43.10
	ii. Amount not re-classifiable to P&L	--	--	-	-
	Share of Other Comprehensive Income transferred to Non-Controlling Interest	--	--	-	-
9	Total Comprehensive Income (7+8)	(979.59)	489.21	(4464.31)	(14326.81)
10	Paid up equity share capital(Face Value of Rs.1/- each)	737.95	737.95	737.95	737.95
11	Other Equity	51700.68	52680.27	(151012.64)	(192690.36)
12	(i) Earning per share of Rs.1/- each (not annualized)				
	(a) Basic	(1.39)	0.60	(6.11)	(19.47)
	(b) Diluted	(1.39)	0.60	(6.11)	(19.47)



2. Extract of Annual Return:

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2021, the annual return as referred under section 134(3)(a) of the Act for the financial year ended 31st March, 2024 is available on the Company website at www.madhucon.com/investor/Annualreturn.

3. Indian Accounting Standards:

The Company has followed Indian Accounting Standards and accounting principles generally accepted in India in preparation of financial statements for the financial year 2023-24.

4. Dividend: [Section 134(3)(K)]

No dividend was declared on equity shares for the year ended 31.03.2024 due to Loss.

5. Board Meetings:

The Board met 6 (Six) times during the financial year 2023-2024. The following are the dates of meeting convened in different Quarters of the financial year.

First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
Meeting No.	Date	Meeting No.	Date	Meeting No.	Date	Meeting No.	Date
600	13-05-2023	601	16-05-2023	602	11-06-2023	603	12-08-2023
604	11-11-2023	605	10-02-2024	--	--	--	--

6. Directors' Responsibility Statement:

Pursuant to the requirement under section 134(3) (c) of the Companies Act, 2013, it is hereby confirmed:

- That in the preparation of annual accounts for the financial year ended 31st March, 2024; the applicable Accounting Standards have been followed along with proper explanation relating to material departures.
- That the Directors have selected Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company, at the end of the financial year and of the profit or loss of the Company for that period.
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- That the Directors have prepared the annual accounts for the year ended 31st March 2024 on a "Going Concern" basis.
- That the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.
- That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. Adequacy of Internal Financial Control:

The Company has structured and implemented framework for Internal Financial Controls ("IFC") in terms of the explanation to Section 134(5) (e) of the Companies Act, 2013. The Board of Directors of the Company is of the opinion that the Company has sound IFC for the year 2023-24. The Company is continuously monitoring and identified the gaps if any, and implements improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

8. Declaration from Independent Directors on Annual Basis:

The Company has received Declarations of independence as stipulated under section 149(7) of Companies act 2013 and regulation 25 of the listing regulations from Independent directors confirming that he /she is not disqualified from continuing as independent Director, the same annexed to this report as ANNEXURE-A.

9. Nomination and Remuneration Policy:

The Nomination and Remuneration Committee has laid down the policy for Remuneration of Directors, KMP & other Employees and the criteria has been formulated by the Committee for determining qualifications, positive attributes and independence of a Director. The Company's policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report.

10. Share Capital:

The paid up share capital is Rs. 7,37,94,940/- of Rs. 1/- each. There were no other changes that have been made in the share capital of the Company during the year under review. The Details of Share Capital are given in the notes to the Financial Statements.

11. Particulars of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.



12. Related Party Transactions:

The transactions entered with the related parties by the Company for the year under review with respect to rendering of services were on arm's length basis and in the ordinary course of business. Hence Section 188(1) is not attracted to the Company. Thus disclosure in Form AOC-2 is not applicable to the Company. There are no material related party transactions during the year under review with the promoters, Directors or Key Managerial Personnel.

13. Material Changes and commitments affecting the financial position of the Company:

There are no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.

14. Particulars regarding Energy Consumption, Technology Absorption and Foreign Exchange Earning and Outgo:

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are furnished as ANNEXURE-I to this report.

15. Risk Management:

Periodic assessments to identify the risk areas are carried out and management is briefed on the risks in advance to enable the Company to control risk through a properly defined plan. The risks are taken into account while preparing the annual business plan for the year. The Board is also periodically informed of the business risks and the actions taken to manage them.

16. Corporate Social Responsibility (CSR) Policy:

Pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013, CSR Committee of the Board of Directors was formed to recommend;

- a) The policy on Corporate Social Responsibility (CSR) and
- b) Implementation of the CSR Projects or Programs to be undertaken by the Company as per CSR Policy by the Board of Directors.

17. Formal Annual Evaluation:

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Board was carried out during the year under review.

18. Report on the Performance/Financial Position of the Subsidiaries Companies:

The details containing the salient features of the consolidated financial statements of the subsidiary Companies are provided at Notes forming part of Consolidated Financial statements at Serial No. 2.37 as per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

19. Consolidation of Accounts:

In compliance with Regulation 33 of the SEBI (LODR) Regulations, 2015 and in compliance with the provisions of the Companies Act, 2013 and the Ind AS 28 Investments in Associates and joint ventures and Ind AS 110 Consolidated Financial Statements, Your Directors have pleasure in attaching the consolidated financial statements for the financial year ended March 31, 2024, duly audited by the Statutory Auditors which forms part of the Annual Report. The Annual Accounts of the Subsidiary Companies and the related information will be made available to shareholders, who may be interested in obtaining the same at any point of time as they have been kept for inspection by any shareholder at the Registered Office of the Company and also at its Subsidiary Companies.

20. Details of Directors and Key Managerial Personnel appointed and resigned during the Year.

- a) Change in Key Managerial Personnel during the year: NIL
- b) Change in Directors during the year:
 1. Mr. Mohammed Shafi was reappointed as Joint Managing Director for the period of 3 years w.e.f. 30th May, 2024.
 2. Continuation of Mr. Ramadas Kasarneni, as a Non-Executive Independent Director beyond the Age of 75 (seventy five) years till the expiry of his current term till 12th August, 2026.

21. CEO and CFO Certification :

In accordance with the Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and Director Cum CFO of the Company have submitted a certificate for the year ended 31st March 2024 to the Board of Directors which forms part of the Annual Report.

22. Vigil Mechanism / Whistle Blower Policy:

The Company has established Vigil Mechanism for Directors / Employees to report their genuine concerns or grievances. The Audit Committee of the Company oversees the vigil Mechanism through the Committee. It provides for adequate



safeguards against victimization of directors/ employees who avail of the mechanism. It also provides for direct access to the Chairman of the Audit Committee. In case of repeated frivolous complaints, the suitable action will be initiated by the Chairman of the Audit Committee.

23. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary trainees) are covered under this policy.

During the financial year 2023-24, the Company received no complaints on sexual harassment.

24. Deposits:

The Company had not accepted or invited any Deposits and consequently no deposit has matured / become due for repayment as on 31st March 2024.

25. Audit Committee:

Five meetings of the Audit Committee were held during the year. The details pertaining to composition of Audit Committee are included in the Corporate Governance Report

26. Stakeholders' Relationship Committee:

The Committee focuses on shareholders' grievances and strengthening of investor relations. The Committee coordinates the services of the Registrars and Share Transfer Agents. There were no complaints pending for redressal as at 31st March, 2024.

27. Statutory Auditors and their Report:

P. Murali & Co., Chartered Accountants (FRN 007257S) were reappointed as Statutory Auditors of the Company for the period of 4 (Four) Financial Years w.e.f. FY 2022-23 to FY 2025-26 and expressed their willingness to hold the office up to the conclusion of the 36th Annual General Meeting was approved by the Shareholders at their 32nd Annual General Meeting of the Company, held on 29th September, 2022..

28. Cost Auditors:

The Board of Directors, on recommendation of Audit Committee appointed AS RAO & CO., Cost Accountants (Registration No. 000326) as the Cost Auditors of the Company to conduct audit of cost records made and maintained by the Company pertaining to Works Contracts, Construction of Roads, etc. for financial year commencing on 1st April, 2024 and ending on 31st March, 2025.

29. Secretarial Auditors and Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s V. Madhumita and Associates, Company Secretaries (ACS 52965 and CP No.19626) has been appointed as Secretarial Auditors of the Company for the financial year 2024-25 to carry out the Secretarial Audit and issue report thereon. Secretarial Audit report issued for the financial year ended 31st March, 2024 by M/s V. Madhumita and Associates, Company Secretaries is annexed to this Report as ANNEXURE II.

30. Listing With Stock Exchanges:

The Company's securities have been listed with Bombay Stock Exchange (BSE), and National Stock Exchange (NSE). Listing fee has been paid to BSE and NSE within the prescribed time limit as set in Regulation 14 of Listing Regulations for the Financial Years 2023-2024 and 2024-2025.

31. Particulars of Employees:

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

32. Depository System :

As the Members are aware, your Company's shares are tradable compulsorily in electronic form and your Company has established connectivity with Central Depository Services (India) Limited (CDSL) & National Securities Depository Limited (NSDL). In view of the numerous advantages offered by the depository system, the members are requested to avail the facility of Dematerialization of the Company's shares on CDSL or NSDL. The ISIN allotted to the Company's Equity shares is INE 378D01032

**33. Prevention of Insider Trading:**

Your Company has in place code of conduct to regulate, monitor and report trading by designated persons and code of practices and procedures for fair disclosure of unpublished price sensitive information which is in adherence to the SEBI (Prohibition of insider trading) Amendment Regulations, 2018. The disclosures received pursuant to this code and the Regulations are disseminated to the Stock Exchanges within prescribed time limit. The Report of compliance officer was placed before the Board. The code is available at the company's website at the following link www.madhucon.com.

34. Corporate Governance and Shareholders Information:

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance forming part of this Report, together with the Practising Company Secretaries Certificate regarding the compliance of the conditions of Corporate Governance is given in a separate section in the Annual Report.

35. Appreciations:

The Directors wish to express their appreciation for the assistance and continued co-operation received from the Central and State Governments, Banks, Financial Institutions, JV partners, clients, consultants, sub-contractors, Customers, Suppliers and also the Directors wish to thank all the employees for their dedicated contribution, support and continued co-operation throughout the year at all levels.

For and on behalf of the Board of Madhucon Projects Limited,

Place: Hyderabad

Date: 06-08-2024

(N. Seethaiah)(Mohammad Shafi)

Managing Director

DIN: 00784491

(Mohammad Shafi)

Joint Managing Director

DIN: 07178265

INFORMATION AS PER SECTION 134 (3) (F) THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY:

The Company is engaged in Civil Construction Activity which is not a predominantly power intensive. However, energy conservation measures are taken up wherever required.

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.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO: NIL**MANAGEMENT DISCUSSION & ANALYSIS****ANNEXURE - I****I. Industry Structure and Developments:**

India's high growth imperative in 2023 and beyond will significantly be driven by major strides in key sectors with infrastructure development being a critical force aiding the progress. Infrastructure is a key enabler in helping India become a US \$26 trillion economy. Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. Indian Prime Minister also recently reiterated that infrastructure is a crucial pillar to ensure good governance across sectors.

The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway. Infrastructure support to the nation's manufacturers also remains one of the top agendas as it will significantly transform goods and exports movement making freight delivery effective and economical.

The "Smart Cities Mission" and "Housing for All" programmes have benefited from these initiatives. Saudi Arabia seeks to spend up to US\$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining.

The infrastructure sector is a key driver of the Indian economy. The sector is highly responsible for propelling India's overall development and enjoys intense focus from the Government for initiating policies that would ensure the time-bound creation of world-class infrastructure in the country. The infrastructure sector includes power, bridges, dams, roads, and urban infrastructure

development. In other words, the infrastructure sector acts as a catalyst for India's economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

To meet India's aim of reaching a US\$ 5 trillion economy by 2025, infrastructure development is the need of the hour. The government has launched the National Infrastructure Pipeline (NIP) combined with other initiatives such as 'Make in India' and the production-linked incentives (PLI) scheme to augment the growth of the infrastructure sector. Historically, more than 80% of the country's infrastructure spending has gone toward funding for transportation, electricity, and water, and irrigation.

While these sectors still remain the key focus, the government has also started to focus on other sectors as India's environment and demographics are evolving. There is a compelling need for enhanced and improved delivery across the whole infrastructure spectrum, from housing provision to water and sanitation services to digital and transportation demands, which will assure economic growth, increase quality of life, and boost sectoral competitiveness.

In Interim Budget 2024-25, capital investment outlay for infrastructure has been increased by 11.1% to Rs. 11.11 lakh crore (US\$ 133.86 billion), which would be 3.4 % of GDP. As per the Interim Budget 2023-24, a capital outlay of Rs. 2.55 lakh crore (US\$ 30.72 billion) has been made for the Railways, an increase of 5.8% over the previous year. Starting with 6,835 projects, the NIP project count now stands at 9,142 covering 34 sub-sectors, as per news reports. Under the initiative, 2476 projects are under the development phase with an estimated investment of US\$ 1.9 trillion. Nearly half of the under-development projects are in the transportation sector, and 3,906 are in the roads and bridges sub-sector.

The Indian Railways expects to complete total revenue of Rs. 2,64,500 crore (US\$ 31.81 billion) by the end of 2023-24. India's logistics market is estimated to be US\$ 317.26 billion in 2024 and is expected to reach US\$ 484.43 billion by 2029, growing at a CAGR of 8.8%. India intends to raise its ranking in the Logistics Performance Index to 25 and bring down the logistics cost from 14% to 8% of GDP, leading to a reduction of approximately 40%, within the next five years.

AAI and other Airport Developers have targeted capital outlay of approximately Rs. 98,000 crore (US\$ 11.8 billion) in airport sector in the next five years for expansion and modification of existing terminals, new terminals and strengthening of runways, among other activities.

India currently has the fifth-largest metro network in the world and will soon overtake advanced economies such as Japan and South Korea to become the third-largest network. Metro rail network reached 810 kms and is operational in 20 cities. At almost 20 kms, Mumbai monorail is the third largest route in the world after China with 98 kms and Japan with 28 kms.

FDI in construction development (townships, housing, built-up infrastructure, and construction development projects) and construction (infrastructure) activity sectors stood at US\$ 26.54 billion and US\$ 33.52 billion, respectively, between April 2000-December 2023.

Indian logistics market is estimated to touch US\$ 320 billion by 2025. The overall infrastructure capex is estimated to grow at a CAGR of 11.4% over 2021-26 driven by spending on water supply, transport, and urban infrastructure. Investment in infrastructure contributed around 5% of the GDP in the tenth five-year plan as against 9% in the eleventh five-year plan. Further, US\$ 1 trillion investment in infrastructure was proposed by the India's planning commission during the 12th five-year plan, with 40% of the funds coming from the private sector.

Overall, the infrastructure sector is the winner in this year's Budget. However, its success lies in its effective implementation and focusing on projects with quick turnaround time.

II. Opportunities and Strengths:

The Government of India is taking every possible initiative to boost the infrastructure sector and is expected to invest highly in the infrastructure sector, mainly Transportation, Urban Development & Industrial Projects. Many steps have been taken to improve funding avenues to the infrastructure sector. There are huge opportunities for the industry in the future. Your Company is having opportunities and strengths with an order book position of Rs. 5964 Crores.

Segment-wise performance:

1. Transportation Division:

Your Company has executed many transportation projects such as highways, tunnels, railways, flyovers etc across PAN India. Besides, work amounting Rs. 2178.07 Crore was done till March, 2024 out of the total work amounting to Rs. 2,448.92 Crore. Balance work of Rs. 270.85 Crore is outstanding as on date.



2. Irrigation Projects:

Your Company executed many Irrigation projects such as Canals, Dams, Tunnels, Spillways, Pump house and Lift Irrigation Projects across PAN India. At present various Irrigation Projects having a total value of Rs. 1,872.37 Crore are under progress across PAN India. Out of which work amounting to Rs. 1,284.72 Crore was already executed till March, 2024, while work amounting to Rs. 587.65 Crore is the balance outstanding to be executed.

III. Outlook:

Future outlook of infrastructure industry in India:

The outlook for the Infrastructure sector appears positive since the country is looking forward with a strong mandate to stimulate economic growth.

Some of the recent government initiatives and investments in the infrastructure sector are as follows:

The Central government has increased its capital expenditure (capex) allocation to US\$ 133.9 billion (Rs. 11.11 trillion) for the fiscal year beginning April 1, 2024, with a focus on advancing India's infrastructure, as part of a strategic move to stimulate economic growth. An increase of 11.1% from the previous year, the FY25 interim budget allots US\$ 133.9 billion (Rs. 11.11 trillion) for capital expenditures, or 3.4% of GDP. With a 37% increase in the current fiscal year, capital expenditures (capex) are on the rise, which bolsters ongoing infrastructure development. In Interim Budget 2024-25, capital investment outlay for infrastructure has been increased by 11.1% to Rs. 11.11 lakh crore (US\$ 133.86 billion), which would be 3.4 % of GDP.

Goals for India's economic growth to become a US\$ 5 trillion economy. In order to anticipate private sector investment and to address employment and consumption in rural India, the budget places a strong emphasis on the development of roads, shipping, and railways. India's ambitious plan calls for spending US\$ 1.723 trillion (approximately Rs. 143 trillion) on infrastructure between FY24 and FY30, with a particular emphasis on power, roads, and developing industries like renewable energy and electric vehicles.

Indian Prime Minister emphasized that India is committed to attaining net-zero carbon emissions by 2070, and that the country's ambitious goal of 500 gigawatts (GW) of renewable capacity by 2030 should be met. In order to make this possible, he unveiled a plan to raise the proportion of gas in India's energy mix to 15% by 2030, which will involve spending roughly US\$ 67 billion over the course of the following five to six years.

The government has decided to allocate Rs. 2.76 lakh crore (US\$ 33.4 billion) towards the Ministry of Roads for 2024-25. A capital outlay of Rs. 2.55 lakh crore (US\$ 30.72 billion) has been made for the Railways, an increased of 5.8% over the previous year. The allocation for solar power grid reached Rs. 8,500 crores (US\$ 1.02 billion) from the previous allocation of Rs. 4,970 crores (US\$ 598.80 million). The Interim Budget 2024-25 allocated Rs. 1, 11,876.6 crore (US\$ 13.5 billion) for the Department of Telecom. The government announced Rs. 77,523.58 crore (US\$ 9.3 billion) to the Ministry of Housing and Urban Affairs.

Three significant economic railway corridor initiatives—energy, port connectivity, mineral and cement, and high traffic density—will be carried out by the railway industry. Additionally, in order to improve passenger safety, convenience, and comfort, forty thousand standard rail bogies will be converted to Vande Bharat standards. In the aviation sector, the number of airports has doubled to 149, and currently, 1.3 crore passengers are transported on 517 new routes. Indian airlines have taken the initiative to order more than a thousand new aircraft. As part of the PM Awas Yojana (Grameen), two crores more houses to be taken up in the next five years. Despite COVID challenges, the target of three crore houses under PM Awas Yojana (Grameen) will be achieved soon.

A network of 35 Multimodal Logistics Parks is planned to be developed as part of Bharatmala Pariyojana, with a total investment of about Rs. 46,000 crore (US\$ 5.5 billion), which once operational, shall be able to handle around 700 million metric tonnes of cargo. Of this, MMLPs at 15 prioritized locations will be developed with a total investment of about Rs. 22,000 Crore (US\$ 2.6 billion).

Your Company is giving major thrust in various infrastructure projects to reap the benefit of growth in infrastructure sector.

Road Ahead:

The roadmap to India's infrastructure is exciting and futuristic, and it will not be an exaggeration to say that the new decade seems to be a promising one.

With a 37% increase in the current fiscal year, capital expenditures (capex) are on the rise, which bolsters ongoing infrastructure development and fits with 2027 goals for India's economic growth to become a US\$ 5 trillion economy. In order to anticipate private sector investment and to address employment and consumption in rural India, the budget places a strong emphasis on the development of roads, shipping, and railways.

Global investment and partnerships in infrastructure, such as the India-Japan forum for development in the Northeast are also indicative of more investments. These initiatives come at a momentous juncture as the country aims for self-reliance in future-ready and sustainable critical infrastructure.

India, it is estimated, needs to invest US\$ 840 billion over the next 15 years into urban infrastructure to meet the needs of its fast-growing population. This investment will only be rational as well as sustainable, if we additionally focus on long-term maintenance and strength of our buildings, bridges, ports, and airports.



As a result of digitalisation and opportunities that tier II and III cities present for economic growth, the divide between metro and non-metros is blurring, moving to the new era of infrastructure growth. Commercial real estate properties have witnessed exponential growth in demand across Tier II & III cities as Information technology and Information technology enabled services and banking financial services and insurance focused organizations are increasingly decentralizing their operations to adapt to the new normal.

The residential sector has witnessed good sales, and launches have also shown signs of an uptick during 2022, total sales in the top-7 cities was projected to exceed 360,000 units in 2022.

Civil Aviation Ministry's "Vision 2040" report states that there will be 190-200 functioning airports in India by 2040. Delhi and Mumbai will have three international airports each, while top 31 Indian cities will have two operational airports each. 220 destinations (airports/heliports/water aerodromes) under UDAN are targeted to be completed by 2026 with 1000 routes to provide air connectivity to unconnected destinations in India.

India's Infrastructure forms an integral part of the country's economic ecosystem. There has been a significant shift in the industry that is leading to the development of world-class facilities across the country in the areas of roads, waterways, railways, airports, and ports, among others. The country-wide smart cities programmes have proven to be industry game-changers. Given its critical role in the growth of the nation, the infrastructure sector has experienced a tremendous boom because of India's necessity and desire for rapid development. The expansion has been aided by urbanisation and an increase in foreign investment in the sector.

The infrastructure sector has become the biggest focus area for the Government of India. India's GDP is expected to grow by 8% over the next three fiscal years, one of the quickest rates among major, developing economies, according to S&P Global Ratings. India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for development of Northeast to undertake strategic infrastructure projects for the region.

India being a developing nation is set to take full advantage of the opportunity for the expansion of the infrastructure sector, and it is reasonable to conclude that India's infrastructure has a bright future ahead of it.

IV. Risks and Concerns:

The COVID-19 pandemic has the major effect on timely completion of various projects. The availability of construction labor force is expected to affect the projects for some time. On the other hand, other construction delays continue to be a concern factor which stems from number of factors outside the control of the project sponsors, which includes land acquisition, regulatory approvals, inflation, and litigation etc., which can delay the timely completion of the project and increase in cost of project. This can, in turn, lead to additional funding, additional cost of fund etc.

As the sector is driven by infrastructure projects to a large extent, it is expected to be hit severely by the current levels of uncertainty, dismal business and consumer sentiments, loss of income as well as the diversion of government funds towards other sectors.

I. Internal Control Systems and their adequacy:

Your Company has adequate system of Internal Control developed by our in-house Internal Audit team consisting of qualified and experienced accounting, costing and technical professionals to ensure that the resources of the Company are used efficiently and effectively, all assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly, financial and other data are reliable for preparing financial information and other data and for maintaining accountability of assets.

II. Discussion on financial performance with respect to operational performance:

During the year under review, your Company has achieved a total income (standalone) of Rs.1,20,566,74 Lakhs against Rs.1,03,485,42 Lakhs and Earning per Share (EPS) of Rs. (1.39) against Rs. 0.60 of the Previous Year.

III. Human Resources/Industrial Relations:

Your Company has recruited competent Professionals at all levels of management for all verticals of the Company as a part of corporate restructuring process and strengthening its Business Verticals to meet the pace of growth of your Company. The Industrial relation is very cordial.

REPORT ON CORPORATE GOVERNANCE

In Compliance with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company sets forth the report on the Corporate Governance on the matters as mentioned in the said schedule and practices followed by the company.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. It is imperative that our Company's affairs are managed in a fair and transparent manner. We ensure that we evolve and follow not just the stated corporate governance guidelines, but also global best practices. We consider it our inherent responsibility to disclose timely, adequate and accurate information regarding our financials and performance, as well as the leadership and governance of the Company. The Company is in compliance with all requirements stipulated under SEBI (LODR) Regulations, as applicable, with regard to corporate governance.

2. BOARD OF DIRECTORS:

i. Composition and Category of the Directors as on 31st March, 2024

In terms of compliance with the requirement of The Companies act, 2013/and the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company endeavor to have an optimum combination of Executive and Non-Executive Director with one woman director to maintain the independence of the Board and separate the functions of Governance and Management through Board and Committees.

As on 31st March 2024, the Board consist of 8 (Eight) Directors. There is 1(One) Managing Director, 1(one) Joint Managing Director, 2(Two) Executive Directors and 4 (Four) Non-executive Independent Directors including 1 (One) chairman and 1(one) Woman Director.

Sl. No.	Name of the Director	Designation	Category
1	Mr. Ramadas Kasarneni	Chairman	Non- Executive & Independent Director
2	Mr. N. Seethaiah	Managing Director	Executive & Non-Independent Director
3	Mr. Mohammad Shafi	Joint Managing Director	Executive & Non-Independent Director
4	Mrs. Ch. Lakshmi Kumari	Woman Director	Non- Executive & Woman Independent Director
5	Mr. P. Madhava Rao	Director	Non- Executive & Independent Director
6	Mrs. Geeta Battula	Director	Non- Executive & Independent Director
7	Mr. K. Venkateswarlu	Director cum CFO	Executive & Non-Independent Director
8	Mr.Samba Siva Rao Jasty	Director-F& A	Executive & Non-Independent Director

ii. Number of Board Meetings held during the year:

The Board met 6 (Six) times during the financial year 2023-2024.

First Quarter		Second Quarter		Third Quarter		Fourth Quarter	
Meeting No.	Date	Meeting No.	Date	Meeting No.	Date	Meeting No.	Date
600	13-05-2023	601	16-05-2023	602	11-06-2023	603	12-08-2023
604	11-11-2023	605	10-02-2024	---	---	---	---

iii. Attendance of each Director at the Board Meetings and the last Annual General Meeting.

The particulars of attendance of Board Meetings and Annual General Meeting by Directors for the financial year ended have been set out here below:

Sl. No.	Name of the Director	Board Meetings attended during the financial year (2023-2024)	Attendance at previous AGM held on 29-09-2023
1	Mr. Ramadas Kasarneni	6	Yes
2	Mr. N. Seethaiah	6	Yes
3	Mr. Mohammad Shafi	6	No
4	Mr. P. Madhava Rao	4	Yes
5	Mrs. Ch. Lakshmi Kumari	4	Yes
6	Mrs. Geeta Battula	3	No
7	Mr. K. Venkateswarlu	6	No
8	Mr. Samba Siva Rao Jasty	3	Yes

iv. Number of other Boards or Board Committees in which he/she is a member or Chairperson.

None of the directors are members of more than ten committees or chairman of more than five committees in public limited companies in which they are directors. Necessary disclosures have been obtained from all the directors regarding their directorship and have been taken on record by the Board.

The names of the Directors and the details of other chairmanship / directorship / committee membership of each Director as on 31st March 2024 is given below:

Sl. No.	Name of the Director	Position	No. of Directorships in other Companies	Committee Membership in other Companies	Committee Chairmanship in other Companies
1	Mr. N. Seethaiah	Managing Director	4	0	0
2	Mr. Mohammad Shafi	Whole-time Director	4	0	0
3	Mr. Ramadas Kasarneni	Chairman and Independent Director	0	0	0
4	Smt. Ch. Lakshmi Kumari	Independent Director	0	0	0
5	Mr.P. Madhava Rao	Independent Director	1	0	0
6	Mr. K. Venkateswarlu	Executive Director	0	0	0
7	Mrs. Geeta Battula	Independent Director	0	0	0
8	Mr. Samba Silva Rao Jasty	Executive Director	0	0	0

- v. In terms of sub regulation (i) regulation 10 part C of Schedule V a certificate from the Company Secretary in practice was obtained to the effect 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.

3. CODE OF CONDUCT:

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has suitably modified the 'Code of Conduct for Board of Directors, Senior Management and Key Managerial Personnel' (Code of Conduct) and is available on the Company's website. The Directors, Key Managerial Personnel and Senior Management Personnel have affirmed their compliance with the Code of Conduct as at 31st March 2024.

4. AUDIT COMMITTEE:

i. Brief description of terms of reference:

In terms of compliance with the requirement of Regulation 18 of the Listing Regulations, the Audit Committee has been constituted consisting of qualified and independent Board members for providing accurate and transparent financial reporting to the Board and shall have the powers and roles to perform the functions as mentioned in Listing Regulations and respectively read with Section 177 of the Companies Act, 2013.

ii. Composition, Name of Members and Chairperson:

The Audit Committee comprises of the following members as on 31st March 2024:

1. Smt. Ch. Lakshmi Kumari, Independent Director as Chairperson
2. Sri Madhava Rao P, Independent Director as Member
3. Sri. Ramadas Kasarneni, Independent Director as Member
4. Mrs. Geeta Battula, Independent Director as Member

iii. Meeting and attendance during the year:

In terms of compliance with the requirement of Regulation 18 (2) of the Listing Regulations the Audit Committee met 5 (Five) times during the financial year under review, on 13-05-2023, 16-05-2023, 12-08-2023, 11-11-2023 and 10-02-2024 and the attendance of the members of the Audit Committee as recorded is as under:

SL. No.	Name of the Director	Status	No. of meetings attended
1	Smt. Ch. Lakshmi Kumari	Chairperson	3
2	Mr. P. Madhava Rao	Member	3



3	Mr. Ramadas Kasarneni	Member	5
4	Mrs. Geeta Battula	Member	1

Head of Finance & Accounts Division and Internal Auditors attended the meetings of the Audit Committee as Invitees. In terms of compliance with the requirement of Listing Regulations, The Audit Committee reviews the information from time to time as specified in the aforesaid clause.

5. NOMINATION AND REMUNERATION COMMITTEE:

i. Brief description of terms of reference:

The terms of reference of Nomination and Remuneration Committee are as follows:

1. To determine the Company's policy on specific remuneration package for Executive Directors including compensation payment, if any, on behalf of the Board of Directors and Shareholders
2. To review, assess and recommend the appointment of Executive Director from time to time and also remuneration package including Employees Stock Option Scheme to the Board of Directors.
3. Any other function as may be delegated by Board of Directors.

ii. Composition and Role of Nomination and Remuneration Committee:

Nomination and Remuneration Committee comprises the following non-executive independent directors as on 31st March 2024:

1. Smt. Ch. Lakshmi Kumari, Woman Independent Director as Chairperson
2. Mr. Ramadas Kasarneni, Independent Director as Member
3. Mr. P. Madhava Rao , Independent Director as Member

This committee recommends the appointment/reappointment of executive directors and the appointments of employees from the level of vice-president and above along with the remuneration to be paid to them. The remuneration is fixed keeping in mind the persons track record, his/her potential individual performance, the market trends and scales prevailing in the similar industry.

iii. Attendance during the year:

The Nomination and Remuneration Committee met 1 (One) times, during the financial year under review, on 28-06-2023. The attendance of the meeting by the members of the Committee as recorded is as under:

SL. No.	Name of the Director	Position	No. of meetings Attended
1	Smt. Ch. Lakshmi Kumari	Chairperson	1
2	Mr. P Madhava Rao	Member	1
3	Mr. Ramadas Kasarneni	Member	1

iv. Remuneration Policy:

The Policy provides for the following:

- a) Attract, recruit, and retain good and exceptional talent;
- b) List down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;
- c) Ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognizes their merits and achievements and promotes excellence in their performance;
- d) Motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- e) Ensure a transparent nomination process for directors with the diversity of thought, experience, knowledge, perspective and gender in the Board; and
- f) Fulfill the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

Criteria for performance evaluation as laid-down by nomination and remuneration committee

The performance of Directors is evaluated by the Board (excluding the Director being evaluated) on the following criteria, as laid down by the Nomination and Remuneration Committee.



Evaluation Criteria:

- Active Participation in Board discussions and deliberations
- Contribution to development of strategy and risk management
- Guidance on corporate strategy, risk policy, corporate governance practices
- Independence and unbiased decisions/opinions etc.

v. **Details of Remuneration to Executive Directors:**

Of the total 8 (Eight) Directors, 4 (Four) are Executive Directors. The remuneration payable to these directors is determined by the Board on the recommendation of the Nomination and remuneration committee. This is subject to the approval of the shareholders at the Annual General Meeting. The non-executive directors have drawn sitting fees from the Company for attending the meetings of the board and the committees. Details of Remuneration of the executive Directors for the financial year 2023-2024 are as follows:

Sl. No.	Director	Consolidated Salary (Per Month) (Rs.)	Perquisites, Allowances and other Benefits	Performance Bonus/ Incentive/ Commission/ Stock Option	Sitting Fees (Rs.)	Total (Per Annum) (Rs.)
1	Mr. N. Seethaiah Managing Director	5,00,000/-	-	-	-	60,00,000
2	Mr. Mohammad Shafi Whole-time Director	3,00,000/-	-	-	-	36,00,000
3	Mr. Ramadas Kasarneni, Independent Director	-	-	-	95,000	95,000
4	Mr. P. Madhava Rao, Independent Director	-	-	-	50,000	50,000
5	Mr. Ch. Lakshimi Kumari, Independent Director	-	-	-	65,000	65,000
6	Mr. K. Venkateswarlu Director cum CFO	2,12,750/-	-	-	-	25,53,000
6	Mrs. Geeta Battula Independent Director	--	-	-	50,000	50,000
6	Mr. Samba Siva Rao Jasty - Director (F&A)	2,00,000/-	-	-	-	24,00,000

vi. **Details of shareholding of Directors as on 31st March 2024:**

As on 31st March 2024, the Company had 4 (Four) Executive Directors, 4 (Four) Non-Executive Independent directors, the one executive director holds equity shares in the Company. The other non-executive directors do not hold any shares in the Company. The details are as follows:

SL. No.	Name of the Director	Status	No. of Sharesheld	Percentage(%)of total shares
1	Mr. Ramadas Kasarneni	Chairman & Independent Director	Nil	Nil
2	Mr. Nama Seethaiah	Managing Director	23802	0.03
3	Mr. Mohammad Shafi	Whole-time Director	Nil	Nil
4	Mr. P. Madhava Rao	Independent Director	Nil	Nil
5	Smt. Ch. Lakshimi Kumari	Independent Director	Nil	Nil
6	Mrs. Geeta Battula	Independent Director	Nil	Nil
7	Mr. K. Venkateswarlu	Director cum CFO	Nil	Nil
8	Mr. Samba Siva Rao Jasty	Director (F&A)	Nil	Nil

6. **STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Committee is empowered to oversee the redressal of Shareholders/Investors Complaints/ Grievances pertaining to share transfers/non-receipt of Annual Reports/dividend payments, issue of duplicate share certificates, transmission of



shares and other complaints etc.

i. Composition of the Committee:

The Stakeholders' Relationship Committee comprises of the following Members as on 31st March 2024.

5. Smt. Ch. Lakshmi Kumari, Independent Director as Chairperson
6. Mr. P Madhava Rao, Independent Director as Member
7. Mr. Mohammad Shafi, Whole-time Director as Member

ii Attendance during the year:

The Shareholders/Investors Grievances Committee/ Stakeholders' Relationship Committee met 4 (Four) times during the year on 13-05-2023, 12-08-2023, 11-11-2023 and 10-02-2024, attendance of members of the Committee as recorded is as under:

Sl. No.	Name of the Director	Position	No. of meetings attended
1	Smt. Ch. Lakshmi Kumari	Chairperson	3
2	Mr. Mhammad Shafi,	Member	4
3	Mr. P. Madhava Rao	Member	2

iii. Name and Designation of Compliance Officer: Mr. D. Malla Reddy, Company Secretary and Compliance Officer.

iv. Number of Shareholders' Complaint received during the year under report:

All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year. During the period under review, the Company has not received the Complaints from Shareholders.

v. Number of Complaints not solved to the satisfaction of Shareholders as on the date of approval of Directors Report - Nil

vi Number of Pending Complaints as on the date of approval of Directors Report - Nil

vii. E-mail ID for redressal of Shareholders' Grievances:

The Company has created a separate e-mail ID: cs@madhucon.com for the Grievance Redressal Division / Compliance Officer exclusively for the purpose of registering and redressal of complaints by investors/ shareholders.

7. GENERAL BODY MEETINGS:

i. Location and Time for the last three Annual General Meetings held and

ii. Special resolutions passed in the last three Annual General Meetings held: Two Special Resolutions passed for the re-appointment of Independent Directors at 33rd Annual General Meeting held on 29th September, 2023.

The particulars of previous 3 (Three) Annual General Meetings of the Company held is set out here under:

Particulars	Date & Time	Venue	Special Resolution passed
33 rd AGM (2022-2023)	29-09-2023 3.00 PM	Venue: Registered Office; Madhu Complex, 1-7-70, Jublipura, Khammam	Yes / 2(Two) Special Resolutions passed for the re-appointment of Independent Directors.
32 nd AGM (2021-2022)	29-09-2022 3.00 PM	Venue: Registered Office; Madhu Complex, 1-7-70, Jublipura, Khammam	Yes / 2(Two) Special Resolutions passed for the re-appointment of Independent Directors.
31 st AGM (2020-2021)	30-09-2021 3.00 PM	Deemed Venue: Regd. Office: Madhu Complex, 1-7-70, Jublipura, Khammam	Nil

iii. Postal Ballot:

During the year no resolution was passed through postal ballot.

None of the business which is proposed to be transacted at the ensuing Annual General Meeting requires passing of a resolution through postal Ballot process.

iv. Meeting of Independent Directors

Pursuant to the companies Act, 2013 read with rules made there under and Secretarial Standard-I issues by the Institute of Company Secretaries of India and SEBI (LODR) Regulations, 2015 a meeting of the Independent Directors of the Company for the financial year 2023-2024 was held on 10th February, 2024.

8. DISCLOSURES:**i. Related Party Transaction (RPT):**

There has been no materially significant Related Party Transactions (RPT) with the Company's promoters, directors, the management, their subsidiaries or relatives which may have potential conflict with the interests of the Company at large. The necessary disclosures regarding the transactions are given in the notes to accounts. The Company has also formulated a policy on dealing with the Related Party Transactions and necessary approval of the audit committee and Board of directors will be taken wherever required in accordance with the Policy.

The Company has also formulated a policy for determining the Material RPT and the details of such policy for dealing with RPT are disseminated in the website of the Company under the following link: <http://www.madhucon.com/corporate/investors.html>

ii. Disqualification of Directors: As on March 31, 2024 none of the Directors of the Company were disqualified under section 164 (2) of the Companies Act, 2013. Certification by a company secretary in practice to the effect 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. As required under Schedule V Part C Regulation 10 Sub-regulations (i) of SEBI (LODR) Regulations, 2015 disclosure was also made appropriately (Annexure – A).**iii.** There is no non-compliance by the Company, penalties, and strictures imposed on the Company by SEBI or Statutory Authority on any matters relating to capital markets during the last three years.**iv. Whistle Blower Policy:**

The Company has an established mechanism for Directors / Employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the code of conduct or ethics policy. It also provides for adequate safeguards against victimization of directors/employees who avail of the mechanism. The Company has formulated a Policy of Vigil Mechanism and has established a mechanism that any personnel may raise Reportable Matters within 60 days after becoming aware of the same. All suspected violations and Reportable Matters are reported to the Chairman of the Audit Committee at e-mail ID. whistleblower@madhucon.com. Key directions/actions will be informed to the Managing Director of the Company.

v. The CFO cum Director and Managing Director has issued certificate pursuant to the provisions of Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.**vi. Practising Company Secretaries Certificate on Corporate Governance as required under Schedule V, Part C of Listing Regulations annexed forming a part of Corporate Governance Report.****vi. Subsidiary Companies:**

The financials of all the subsidiary companies have been duly reviewed by the audit committee. The Board is also periodically informed about all significant transactions and arrangements entered into by the subsidiary companies.

The Company has also formulated a policy for determining the Material Subsidiary and the details of such policy are disseminated in the website of the Company under the following link:

<http://www.madhucon.com/corporate/investors.html>

viii. SEBI Prevention of Insider Trading:

With SEBI imposing the responsibility of "Prohibition of Insider Trading" in the Organizations, Board has designed a Code of Conduct strictly in accordance with the Model Code of Conduct prescribed under SEBI (Prohibition of Insider Trading) Regulations 2015. The Code, besides other relevant matters, prohibits an insider from dealing in the shares of the Company, while in possession of the unpublished price sensitive information in relation to the Company. As on the date, there have been no violations of insider trading regulation.

ix. Code of Conduct for the Board of Directors and the Senior Management:

The standards for business conduct provide that the directors and the senior management will uphold ethical values and legal standards as the Company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. The Board of Directors has adopted a code of conduct for all Board members and senior management of the Company and affirmed its compliance on annual basis for the Financial Year ended 31st March 2024. In terms of compliance with the requirement of Regulation 46 of the Listing Regulations are disseminated in the website of the Company under the following link:

<http://www.madhucon.com/corporate/investors.html>

x. Discretionary requirements under Listing Regulations: The Company has complied with all the discretionary requirements of Corporate Governance stipulated under Part E of Schedule V of the Listing Regulations. Certificate to this effect has been issued by Mrs. Vendra Madhumita, Practising Company Secretary and the same has been incorporated as an Annexure to the Report.



9. SHAREHOLDERS COMMUNICATION:

- i. The quarterly financial provisional un-audited results of the Company published in the leading daily newspaper within 45 days from the end of the respective quarters and fourth quarter duly audited within 60 days as per the Regulation 33 of Listing Regulations.

The financial calendar events of 2023-2024 relating to quarterly un-audited and quarterly and yearly Audited financial results are as follows:

Financial Results Reporting for the :	For 2022-23 were announced on
1st Quarter ended 30 th June, 2023	12th August, 2023
2nd Quarter ended 30th September, 2023	11th November, 2023
3rd Quarter ended 31st December, 2023	10 th February, 2024
4th Quarter and financial year ended 31st March, 2024	18th May, 2024

- ii. The financial provisional un-audited results are published in a leading daily newspaper in English and in Regional language having nationwide circulation viz. Financial Express and Mana Telangana and are disseminated in the website of the Company under the following link: http://www.madhucon.com/i/FinancialResults_31032024.pdf
- iii. These financial provisional results and shareholding pattern are submitted to National Stock Exchange in <https://www.connect2nse.com/LISTING/> and to Bombay Stock Exchange in <http://listing.bseindia.com>
- iv. The performance of the quarterly, half yearly and annual together with financial results of the Company released time to time in media by the press statements and also displays on Company's website.

10. GENERAL SHAREHOLDER'S INFORMATION:

- i. Financial Year:
The Company follows the financial year commencing from 1st April to 31st March on consistent basis.
- ii. Listing on Stock Exchanges:
Bombay Stock Exchange (BSE)
Stock Code No.: BSE – 531497
National Stock Exchange (NSE)
Stock Code No.: NSE – MADHUCON
- iii. ISIN: INE 378D01032
- iv. Market Price Data:
High and Low during each month in last financial year 2023-2024:
High and Low of Market Price of the Company's Equity Shares Traded on the BSE & NSE during the 12 months period ended 31st March 2024 are as under-

A) NSE:

Period	High (Rs.)	Low (Rs.)	No. of Shares	No. of Trades
April, 2023	5.15	4.60	2,43,287	429
May, 2023	4.75	4.10	5,69,933	980
June, 2023	6.00	5.15	3,90,073	930
July, 2023	5.50	5.10	5,11,683	1255
August, 2023	6.20	5.05	2,62,563	1760
September, 2023	6.35	5.15	4,81,250	734
October, 2023	5.55	4.95	5,65,108	891
November, 2023	8.20	7.45	3,08,717	373
December, 2023	9.90	7.00	9,48,304	1471
January, 2024	11.25	6.90	24,98,900	3590
February, 2024	11.20	8.90	8,17,301	1226
March, 2024	9.25	6.60	11,60,406	2043

B) BSE:

Period	High (Rs.)	Low (Rs.)	Traded Quantity No. of Shares	No. of Trades
April, 2023	5.41	3.28	3,54,940	761
May, 2023	4.74	4.11	1,74,415	396
June, 2023	6.58	4.05	9,96,455	1523



July, 2023	5.63	5.00	1,99,914	490
August, 2023	6.22	5.01	3,18,012	593
September, 2023	6.50	5.10	1,30,547	291
October, 2023	5.79	4.93	2,19,001	564
November, 2023	9.76	5.55	16,82,793	2536
December, 2023	10.14	6.96	9,88,525	1095
January, 2024	11.29	6.99	10,76,404	1638
February, 2024	11.16	8.56	2,67,592	521
March, 2024	9.21	6.60	2,19,862	482

vi. Registrar and Transfer Agents:

M/s KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
Karvy Selenium Tower B, Plot 31- 32, Gachibowli,
Financial District, Nanakramguda Hyderabad,
Telangana-500032
Phone No. 040-67161605

vii. Share Transfer System:

All the Share Transfers that are received will be processed by the Registrar and Share Transfer Agents (RTA) and approved and registered by the Board of Directors within 15 days from the date of lodgment and de-mat requests are normally confirmed within an average period of 15 days from the date of lodgment for transfer.

viii. Others:

Shareholders holding shares in physical form should communicate the change of address, if any, directly to the Registrars and Share Transfer Agent of the Company.

It has become mandatory for transferees to furnish a copy of Permanent Account Number for registration of transfer of shares held in physical mode.

Shareholders holding shares in physical form, who have not availed nomination facility and would like to do so are requested to avail the same, by submitting the nomination in Form No. SH.13. The form will be made available on request. Those holding shares in electronic form are advised to contact their DPs.

A) Distribution of Shareholding as on 31st March, 2024.

Equity Share holding of nominal Value of Rs. 1/- each	Equity Shareholders		Equity Shares Amount	
	Numbers	% of Shareholders	In Rs.	% of holding
1 - 5,000	19311	96.02	94,08,280	12.75
5,001 - 10,000	387	1.92	29,51,031	4.00
10,001 - 20,000	194	0.96	28,55,910	3.87
20,001 - 30,000	77	0.38	19,56,481	2.65
30,001 - 40,000	29	0.15	10,42,711	1.41
40,001 - 50,000	24	0.12	10,65,540	1.44
50,001 - 1,00,000	45	0.22	31,72,958	4.30
1,00,001 - Above	44	0.23	5,13,42,029	69.58
Total	20,111	100.00	7,37,94,940.00	100.00

ix. Dematerialization of shares and liquidity:

7,36,14,130 Equity Shares equivalent to 99.75 % of the total equity share capital have been de-materialized and 1,80,810 are in physical form equivalent to 0.25% as on 31st March 2024.



Electronic/Physical	No. of Holders	No. of Shares	% to Equity
NSDL	8690	53716089	72.79
CDSL	11374	19898041	26.96
Physical	47	180810	00.25
Total	20111	7,37,94,940	100.00

Shareholders are requested to convert their physical holding to demat /electronic form through any of the DPs to avoid any possibility of loss, mutilation etc., of physical share certificates and also to ensure safe and speedy transaction in securities.

- x. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity - No Outstanding instruments.
- xi. Plant Locations – Not applicable since the Company is not engaged in manufacturing activities.
- xii. Address for Investors Correspondence:

For any assistance in respect of status on Dematerialization of Shares, Transfer, Transmission, Transposition, Issue of Duplicate Certificates, Change of Address etc., members are requested to contact the following Registrar and Transfer Agent of the Company.

M/s. KFin Technologies Pvt. Ltd
(Formerly known as Karvy Fintech Private Limited)
Karvy Selenium Tower B, Plot 31- 32,
Gachibowli, Financial District,
Nanakramguda Hyderabad,
Telangana-500 032
Phone No.040-67161605

For any queries regarding shares held in Demat Form, members are requested to contact their respective Depository Participants.

For any other information about the Company, members are requested to contact the following officer of the Company.

Company Secretary & Compliance Officer:
Mr. D. Malla Reddy
Corp. Off: "Madhucon House", Plot No.1129/A,
Road No.36, Jubilee Hills, Hyderabad – 500 033 India Telephone:
(040) 23556001 / 2 / 3 / 4
Fax No: (040) 23556005
E-Mail: cs@madhucon.com

11. LISTING FEES:

Listing fee has been paid to BSE and NSE within the prescribed time limit as set in the Listing Regulations for the Financial Year 2024-2025.

12. RECONCILIATION OF SHARE CAPITAL AUDIT:

The Quarterly Audit on Share Capital will be conducted by Practicing Company Secretary in accordance with circular of SEBI No. D&CC /FITTC/CIR-16/2002 dated 31st December 2002 and Certificates will be issued accordingly.

13. DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT:

I hereby confirm that the company has obtained from all the members of the Board and Senior Management personnel, affirmations that they have complied with code of conduct for Board Members and senior Management personnel in respect

For and on behalf of the Board

Place: Hyderabad
Date : 15-08-2024

Nama Seethaiah
Managing Director
DIN: 00784491

CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE**TO THE MEMBERS OF MADHUCON PROJECTS LIMITED**

1. I, Vendra Madhumita, Company Secretary in Practice, the secretarial auditor of Madhucon Projects Limited ("the Company") have examined the compliance of conditions of Corporate Governance by the Company, for the year ended March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time (the "Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

2. The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

AUDITOR'S RESPONSIBILITY

3. My examination is limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

OPINION

5. Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31st March 2024.

6. I, further 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.

For V. Madhumita and Associates
Company Secretaries
Sd/-
Vendra Madhumita
Proprietor
{ACS 52965; CP 19626}
UDIN: A052965F000579898

Place: Hyderabad
Date: 17 June, 2024

**Annexure - A**

V MADHUMITA & ASSOCIATES
PRACTICING COMPANY SECRETARY

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Madhucon Projects Limited
H.no.1-7-70, Jublipura,
Khammam-507003,
Telangana, India.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MADHUCON PROJECTS LIMITED** having **CIN: L74210TG1990PLC011114** and having registered office at H.No.1-7-70, Jublipura, Khammam, Telangana - 507003 IN (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para - C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my 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 me by the Company & its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 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	Date of Appointment in Company
1.	POTLA MADHAVA RAO	00385838	24/12/2005
2.	SEETHAIAH NAMA	00784491	15/03/1990
3.	RAMADAS KASARANENI	02182093	13/08/2018
4.	CHINTHAPALLI LAKSHMIKUMARI	06942473	09/08/2014
5.	MOHAMMAD SHAFI	07178265	30/05/2015
6.	VENKATESWARLU KOTHAPALLI	09713108	11/11/2022
7.	GEETA BATTULA	10205129	28/06/2023
8.	SAMBA SIVA RAO JASTY	09526475	28/06/2023

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My 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 the management has conducted the affairs of the Company.

For V. Madhumita and Associates
Company Secretaries
Sd/-
Vendra Madhumita
Proprietor
(ACS 52965; CP 19626)
UDIN: A052965F000579799

Place: Hyderabad
Date: 17 June, 2024



MD/CFO/GM (Finance & Accounts) Certification

In relation to the Audited Financial Statements of the Company as at March 31, 2024, Mr. Nama Seethaiah, Managing Director and Mr.K. Venkateswarlu, Director cum CFO of the Company certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - 1. That the Financial statements do not contain any materially untrue statement or omit any material factor contain statements that might be misleading;
 - 2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violates the Company's code of conduct.
- C. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal control if any of which we are aware and steps that we have taken or proposed to take to rectify these deficiencies.
- D. Further, we have indicated to the Auditors and the Audit Committee
 - 1. Significant changes in internal control over financial reporting during the year, wherever applicable;
 - 2. Significant changes in accounting policies during the year and correct information has been disclosed in the notes to the financial statements in INDAS format, wherever applicable and
 - 3. Instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in Company's internal control system over financial reporting, wherever applicable.

(K. Venkateswarlu)
Director cum CFO
DIN: 09713108

(N Seethaiah)
Managing Director
DIN00784491

Place: Hyderabad
Date: 18-05-2024

ANNEXURE-II



V MADHUMITA & ASSOCIATES
PRACTICING COMPANY SECRETARY

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[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,
MADHUCON PROJECTS LIMITED
CIN: L74210TG1990PLC011114
Regd. Office: H.No.1-7-70, Jublipura
Khammam
Telangana- 507003

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Madhucon Projects Limited** (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 to me by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 (i.e. from April 01, 2023 to March 31, 2024) complied with the statutory provisions listed hereunder and also that the Company has proper board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2024 according to the provisions of:

- a) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- d) 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'): -

- i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not applicable during the period under review
- ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,
- iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- iv. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not applicable during the period under review
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the period under review
- vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not applicable during the period under review
- viii. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; Not applicable during the period under review and
- ix. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
- x. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

I have also examined compliance with the applicable clauses/regulations of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) Equity Listing Agreements entered into with the BSE Limited, National Stock Exchange of India Limited, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Directions, Guidelines, Standards, etc. mentioned above.

I 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 appointment and 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, including Committees thereof, along with agenda and detailed notes on agenda were sent at least seven days in advance (except for meetings conducted at shorter notice after complying with the necessary provisions) and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board and/or Committee meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or respective Committee of the Board, as the case may be.

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



I further report that that during the audit period, the following specific activities took place in the Company having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.:

- (a) The company is yet to transfer unpaid dividend relating to Financial Years 2009-10 and 2010-11 from unpaid dividend account to Investor Education and Protection Fund (IEPF).
- (b) The company has defaulted in repayment of dues to Banks and financial institutions However, dues in case of some banks were settled through "One time settlement".
- (c) Managerial remuneration paid by the company during the year is in excess of the limits specified under section 197 read with schedule V of Companies Act,2013.
- (d) The company has not conducted Internal Audit during the period under review (1st April 2023 to 31st March 2024). Internal Auditor was not appointed till the date of signing of this report.
- (e) In case of "Ranchi Expressways Ltd (REL)", a step-down subsidiary of the company, CBI has filed FIR against REL, its Promoters and Directors on 12-03-2019 under Prevention of Corruption Act and Indian Penal Code. Subsequently, the Enforcement Directorate has, aided the premises of "the company" on 11-06-2021 and the investigation is still pending.
- (f) As per the press release dated 02-07-2022 and 17-10-2022 The Directorate of Enforcement has provisionally attached immovable properties and other assets belonging to Madhucon Group of companies, its directors and promoters in a case against M/s Ranchi Expressway Ltd, under the provisions of PMLA, 2002. Further investigation is going on.
- (g) SREI Equipment Finance Limited filed to "NCLT" for restoration of application of Corporate Insolvency Resolution process (CRIP) against the Company, which has been admitted vide its order dated 08.12.23. Later on, the financial creditor and the Company have initiated the process of settlement on 18.01.2024 by restructuring the existing loan and submitted a joint memo stating the same to "The Hon'ble National Company Law Tribunal" (NCLT) on 05.02.2024, On 28.03.2024 the SREI Equipment Finance Limited filed withdrawal memo seeking leave of this "NCLT" to withdraw the company petition. NCLT by an order dated 28.03.2024 allowed the company petition stands disposed of as withdrawn.
- (h) In case of M/s. Trichy-Thanjavur Expressways Limited a step-down subsidiary of the company, the NCLT by an order dated 22.08.2023 admitted the Corporate Insolvency resolution process against which the NCLAT has passed an order and directed the COC to defer its proceedings till next hearing on 18.06.2024.
- (i) In case of Barasat - Krishnagar Expressways Limited a step-down subsidiary of the company, the NCLT by an order dated 28.11.2023 admitted the Corporate Insolvency resolution process against which the NCLAT has passed an order and directed the COC to defer its proceedings till next hearing on 26.06.2024
- (j) The company has subsidiary and step-down subsidiaries which has not complied with the applicable provisions of the Company Act, 2013

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the specific industry/sector related laws as applicable except the following:



- (a) Employees Provident Fund Scheme, 1952 and the rules made there under as applicable is under Implementation

Provident Fund commissioner-I of Madhapur, Hyderabad had initiated Proceedings against the Company for the recovery of past old dues relating to the-years 2013 - 2014 & 2020 - 2021. The Honourable High Court of Telangana Issued Stay on the Proceedings.

I have relied on the information supplied and representation made by the Company and its officers, agents, for systems and mechanisms followed by the Company for compliance under the applicable Acts, Laws and Regulations to the Company and my Annexed letter is to be read along with this report.

**For V Madhumita & Associates
Company Secretaries**

**Place: Hyderabad
Date: 17th June, 2024
UDIN: A052965F000579777**

**Proprietor
Vendra Madhumita
CP NO: 19626, ACS No: 52965**

ANNEXURE TO SECRETARIAL AUDIT REPORT (FORM MR-3)

To,
The Members,
MADHUCON PROJECTS LIMITED
CIN: L74210TG1990PLC011114
H.No.1-7-70, Jublipura
Khammam
Telanagana- 507003

My Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibilities

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Madhucon Projects Limited (the 'Company') is the responsibility of the management of the Company.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
5. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
6. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
7. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

8. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
9. We have not verified the correctness and appropriateness of financial records and Books of Accounts and Statutory Dues of the Company as commented by the Auditors.

**Vendra Madhumita
CP NO: 19626, ACS No: 52965**



STANDALONE FINANCIAL STATEMENTS

2023-2024

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Madhucon Projects Limited

Report on the Ind AS Standalone Financial Statements

Qualified Opinion

We have audited the Ind AS financial statements of M/s. **Madhucon Projects Limited** ("the company"), which comprise the standalone balance sheet as at 31st March 2024, and the standalone statement of Profit and Loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified opinion section of our report, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, its loss and other comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Qualified Opinion:

1. We refer to the carrying value of Equity Investments of Rs 1,03,662.52 lakhs held in subsidiaries/other companies and other investments of Rs 5624.18 lakhs held in subsidiaries/other companies, some of these have been incurring losses and in case of some of the subsidiaries, net worth was fully or substantially eroded / Going Concern is affected. We are unable to comment upon the carrying value of Equity investments and other investments whether any provision for impairment in the value of Equity Investments and other investments is required; the effect of same upon the profitability could not be ascertained in the absence of fair valuation.

In the case of Madhucon Infra Limited, a subsidiary, the management basing on the valuation Reports on "Investment in Madhucon Infra Limited" concluded that the value of this Investment is Nil and has written off an amount of Rs. 30,550.68 Lakhs being 25% of the Investment held, instead of writing off complete value of investment. For the balance 75% of the Investment no provision for impairment is made in the books of account as at 31st March, 2024.

In the absence of proper justification, we are not able to ascertain the basis of such partial write off.

2. "The Company" has written off loan given to Madhucon Infra Limited a subsidiary amounting to Nil/Rs.4,263.07 Lakhs for the quarter ended/ Year ended 31st March, 2024 respectively, being partial amount of loan, instead of writing off the total outstanding of Rs.12,918.41 lakhs.

In the absence of proper justification, we are not able to ascertain the basis of such partial write off.

3. "The company has defaulted in repayment of dues to Banks and financial institution amounting to Rs 33,369.17 lakhs and Rs 3,370.51 lakhs respectively as per books of account and the same were classified as NPA by the lenders. Interest on these loans have not been provided for the FY 2018-19 to FY 2023-24. Dues in case of some banks were settled through "One time settlement" and an amount of Rs. 12,503.97 Lakhs, being the benefit of OTS, has been accounted during the quarter ended 31st March, 2024.

Further, in case of other banks except in case of Canara bank, OTS agreements have been entered. Balance confirmation in respect of the loan from Canara Bank has not been obtained.

4. "The Company "has written back Trade Payables amounting to Rs. 8,103.63 Lakhs and Rs.9,542.19 lakhs for the quarter ended 31st March, 2024 and for the Year ended 31st March, 2024 respectively – refer to note no. 2.16 of financial statements.



5. "The Company" has written back Other Payables (including Interest payable) amounting to Rs 1,921.36 lakhs and Rs 2,089.20 lakhs for the quarter ended 31st March, 2024 and for the Year ended 31st March, 2024 respectively.
6. "The Company" has written off advances to Other Parties amounting to Nil/Rs. 393.95 Lakhs for the quarter ended/ Year ended 31st March, 2024.
7. The company is yet to transfer unpaid dividend of an amount aggregating to Rs. 3.73 Lakhs relating to Financial Years 2009-10 to 2010-11 from unpaid dividend account to Investor Education and Protection Fund (IEPF).
8. Undisputed Statutory dues in case of following are outstanding:

S.No.	Name of the Status	Nature of Due	Period	Rs. in Lakhs
1	The Income Tax Act, 1961	Dividend Distribution Tax & Interest on it	2011-12 to 2016-17	139.93
2	The Employees Provident funds and Miscellaneous provision act 1952	Provident fund	2013-14 to 2020-21	70.24
3	Works Contract Tax	Works Contract Tax	2014-15 to 2017-18	396.86

9. In view of losses incurred by "the company" and in the absence of prior approval from the lender banks and financial Institutions, managerial remuneration of Rs. 138.68 Lakhs paid by the company during the year is in excess of the limits specified under section 197 read with schedule V of Companies Act,2013.
10. The Turnover, Output GST and Input GST credits as per the books of account are subject to reconciliation with the GST returns filed.
11. Internal Audit has not been conducted for the period 1st April 2023 to 31st March 2024.
12. The Company has not produced Title Deeds in respect of certain immovable properties (lands) held.
13. SREI Equipment Finance Limited filed to "The Hon'ble National Company Law Tribunal" (The Hon'ble NCLT) for restoration of application of Corporate Insolvency Resolution process (CIRP) against "The Company", which has been admitted vide its order dated 08.12.23.
Subsequently, "the Company" filed an appeal with "The Hon'ble NCLT" and the impugned order dated 08.12.2023 of "The Hon'ble NCLT" was set aside and remanded back to the "The Hon'ble NCLT" for fresh review vide order dated 12.12.2023. Later on, the financial creditor and "the Company" have initiated the process of settlement on 18.01.2024 by restructuring the existing loan and submitted a joint memo stating the same to "The Hon'ble NCLT" on 05.02.2024.
SREI Equipment Finance Limited has approved for Restructuring of existing loan dues for a final settlement of Rs. 4,952.00 Lakhs, vide its letter dated 02.02.2024. As per agreed terms & conditions, "the company" has paid upfront payment of 20% of Restructured loan and one instalment, total amounting to Rs. 1685.65 Lakhs as of 31st March, 2024.
On 28.03.2024 the SREI Equipment Finance Limited filed withdrawal memo seeking leave of this "The Hon'ble NCLT" to withdraw the company petition. "The Hon'ble NCLT" by an order dated 28.03.2024 allowed the company petition stands disposed of as withdrawn.
14. In case of "Ranchi Expressways Ltd (REL)", a step-down subsidiary of the company, CBI has filed FIR against REL, its Promoters and Directors on 12-03-2019 under Prevention of Corruption Act and Indian Penal Code. Subsequently, the Enforcement Directorate has raided the premises of "the company" on 11-06-2021 and the investigation is still under progress.

15. As per the press release dated 02-07-2022 and 17-10-2022 The Directorate of Enforcement has provisionally attached 105 immovable properties and 28 other assets worth Rs.96.21 Crore and Rs.80.65 Crore respectively belonging to Madhucon Group of companies, its directors and promoters which included the properties of Madhucon Projects Limited and group companies in a case against M/s Ranchi Expressway Ltd, under the provisions of PMLA, 2002.
16. In case of Ranchi Expressways Ltd (REL) a step down subsidiary of Madhucon Projects Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 22.12.2023 admitted the Corporate Insolvency resolution process (CRIP), for a petition filed by State Bank of India. Ranchi Expressways Ltd (REL) has made an appeal to "The Hon'ble NCLAT" and "The Hon'ble NCLAT" has deferred the impugned order given by NCLT and posted the next hearing on 07.06.2024.
Madhucon Projects Limited has made an Investment of Rs.1.40 lakhs and has Trade Receivables of Rs.8,073.69 lakhs in the above step down subsidiary for which provision has not been made.
17. In case of M/s. Trichy-Thanjavur Expressways Limited a step down subsidiary of Madhucon Projects Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 22.08.2023 admitted the Corporate Insolvency resolution process (CRIP), against which "The Hon'ble NCLAT has passed an order and directed the COC to defer its proceedings till next hearing on 18.06.2024
Madhucon Projects Limited has made an Investment of Rs.10 lakhs and advances of Rs. 42.82 lakhs in the above step down subsidiary for which provision has not been made.
18. In case of Barasat – Krishnagar Expressways Limited a step down subsidiary of Madhucon Projects Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 28.11.2023 admitted the Corporate Insolvency resolution process (CRIP), against which "The Hon'ble NCLAT has passed an order and directed the COC to defer its proceedings till next hearing on 26.06.2024.
Madhucon Projects Limited has made an Investment of Rs.1.40 lakhs in the above step down subsidiary for which provision has not been made.
19. In the absence of confirmation of some of the Trade payables, Trade Receivables and various advances/loans, we are unable to comment on the extent to which such balances are payable/recoverable. Some of the payables to parties are shown by netting off with the other receivables.
20. Balance confirmation of current accounts, which have become Dormant, are not obtained in case of Bank Branches at various project sites.

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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Matters Relating to Going Concern

We draw attention to "Note No. 2.45" to Standalone Ind AS financial statements - "The Company's" current liabilities exceeded current assets amounting to Rs. 92,331.50 Lakhs and "The Company" has defaulted in payment of dues to banks and financial institution. All these events indicate a material uncertainty existing that may cast a significant doubt on "The Company's" ability to continue as a going concern. However, the management believes the use of going concern assumption on the preparation of the Ind AS financial statements of "the company" is still appropriate in view of, settlement of dues under OTS in case of some



banks and having received approvals for restructure of loan for settlement of dues by the financial institution and its continuing discussions with its other lenders to obtain approval for and an appropriate debt resolution plan and also, that "The company" will continue to be in operation in the foreseeable future.

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.

We have determined the matters described below to be the key audit matters to be included in our audit programme.

- 1) The carrying value of Equity investments held and other investments held in its subsidiaries, which have been incurring losses and in case of some of these companies, net worth was fully or substantially eroded.

How the matter was addressed in our audit:

We have examined the key controls in place for investments made in subsidiaries. We assessed the networth of subsidiaries on the basis of latest available Ind AS financial statements. It is concluded that, we are unable to comment upon the carrying value of Equity investments and other investments, as to whether any provision for impairment in investments is required. In case of subsidiary, Madhucon Infrastructure Limited, the company has obtained a valuation report, based on which 25% of the investment is written off instead of writing off complete value of investment. For the balance 75% of the Investment no provision for impairment is made in the books of account as at 31st March, 2024.

- 2) "The Company" has defaulted in repayment of dues to Banks and financial institution, all the loans outstanding were classified as NPA by the Banks and Financial Institution. Interest on these loans have not been provided for the financial years 2018-19 to 2023-24.

How the matter was addressed in our audit :

The company has settled the dues in case of SBI, IDBI Bank and Bank of India through OTS and entries for the same has been passed in the books of account accordingly.

In case of other banks*, except canara bank, the company has entered into OTS. (Refer Clause 3 of Basis for Qualified Opinion).

*Other banks includes ICICI Bank, Punjab National Bank and Kotak Mahindra Bank.

In connection with our audit of the Information Other than the Standalone 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 Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

3) Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in "the Act" with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of "the Company" in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting

policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone 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 Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone 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 Standalone Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) Except for the possible effects of the matter described in the *Basis for Qualified Opinion* proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) Except for the possible effects of the matter described in the *Basis for Qualified Opinion* the Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account; as per Companies (Audit and Auditors) Rules, 2014 as amended.
 - d) Except for the possible effects of the matter described in the *Basis for Qualified Opinion*, the aforesaid Ind AS financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
 - e) On the basis of written representations received from the directors as on 31st March, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024, 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) In view of losses incurred by "the company" and in the absence of prior approval from the lender banks and financial Institutions, managerial remuneration of Rs. 138.68 Lakhs paid by the company during the year is in excess of the limits specified under section 197 read with schedule V of Companies Act,2013.
 - h) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the pending litigations which would impact its financial position in its notes to Ind AS financial statements.
 - ii. The Company does not have long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The company is yet to transfer unpaid dividend of an amount aggregating to Rs. 3.73 Lakhs relating to Financial Years 2009-10 to 2010-11 from unpaid dividend account to Investor Education and Protection Fund (IEPF).



- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has neither declared nor paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended 31st March, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

**For P. Murali & Co.,
Chartered Accountants
Firm Registration No: 007257S**

**A. Krishna Rao
Partner
Membership No. 020085
UDIN: 24020085BKAUHM9560**

**Place: Hyderabad
Date: 18-05-2024**

**Annexure A to the Auditors Report**

Annexure referred to in Independent Auditors Report to the Members of M/s. Madhucon Projects Limited on the Ind AS Financial Statements for the year ended 31st March 2024, we report that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- a)
- The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - The Company doesn't have any intangible assets.
- b) As explained to us, Property, Plant and Equipment have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
- c) The Company has not produced Title Deeds in respect of certain immovable properties (lands) held, as such we are unable to provide the details as required.
- d) According to the information and explanations given to us by the management the Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
- e) There are no proceedings 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.
- ii.
- a) In our opinion and according to the information and explanations given to us the Inventory has been physically verified during the year by the Management and in our opinion, the frequency of verification is reasonable. As per our observations the coverage and procedure of such verification was appropriate, and there are no major discrepancies found on and above 10% aggregately of such classes of inventory.
- b) The Company has not been sanctioned working capital limits in excess of Rs 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets.
- iii. The Company has not made investments and has granted loans or advances in the nature of loans, and has provided guarantee or security, unsecured, to companies, firms or limited liability partnerships during the year.
- a) (A)Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has given loans and advances in the nature of loans or stood guarantee or provided security to subsidiaries.
- (B)Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has given unsecured loans and unsecured advances in the nature of loans to parties other than subsidiaries as listed below:



(Rs. In Lakhs)

Particulars	Guarantees	Security	Loans	Advances in nature of Loans
Aggregate amount during the year				
Subsidiaries & Stepdown Subsidiaries	-	-	1,457.60	90.32
Joint ventures*	96.20	-	-	-
Associates*	-	-	-	-
Others	-	-	-	200.07
Balance outstanding as at balance sheet date				
Subsidiaries & Stepdown Subsidiaries*	4,335.00	-	10,112.67	5,570.13
Joint ventures*	5,579.55	-	-	2,833.83
Associates*	-	-	-	-
Others	12,262.85	-	-	229.79

*As per the Companies Act, 2013

- b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans and advances in the nature of loans during the year are, prima facie, not prejudicial to the interest of the Company.

During the year, the company has granted loan of Rs. 1,457.34 Lakhs to its subsidiary (madhucon infra limited) and has written off Rs. 4,263.07 Lakhs from the outstanding loan.

- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of interest free loans and advances in the nature of loans given, the repayment of principal has not been stipulated.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, as there is no specification of repayment schedules in respect of loans granted, we are unable to comment on whether any loans were overdue for more than ninety days.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan and advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Hence, reporting under clause 3(iii)(e) is not applicable.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has granted loans and advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(Rs. In Lakhs)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)			

	1,564.95	-	1,564.95
Total (A+B)	1,564.95	-	1,564.95
Percentage of loans/advances in nature of loans to the total loans	100%	-	100%

- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provision of sections 185 and 186 of the Act to the extent applicable, in respect of loans, investments guarantees and security.
- v. During the year The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us and based on the records of the company examined by us, in respect of the Statutory dues:
- a) There are some delays in depositing undisputed statutory dues for the current year in case of Provident Fund, ESI , Goods and Service Tax, TDS. Undisputed amounts payable in respect of Statutory dues which were outstanding for more than six months from the date they became payable are as follows:

S.No.	Name of the Status	Nature of Due	Period	Rs. in Lakhs
1	The Income Tax Act, 1961	Dividend Distribution Tax & Interest on it	2011-12 to 2016-17	139.93
2	The Employees Provident funds and Miscellaneous provision act 1952	Provident fund	2013-14 to 2020-21	70.24
3	Works Contract Tax	Works Contract Tax	2014-15 to 2017-18	396.86
4	The Income Tax Act, 1961	Tax Deducted at source	2023-24	11.57
5	The Income Tax Act, 1961	Interest on TDS paid	2018-19, 2021-22 to 2022-23	542.99

- b) Details of dues of Sales tax, Entry tax, Service tax which have not been deposited as on 31st March, 2024 on account of disputes are given below:



Name of the Statute	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs.in lakhs)
Entry Tax	Hon'ble High Court	2015-16 & 2016-17	8.85
Service Tax	Settlement Commission	2010-12	1,655.75
Provident fund	Hon'ble High Court	2015-16 to 2016-17	1,083.64

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) Based on the examination of books of account and related records and according to the information and explanations given by the management, the company has defaulted in repayment of dues to financial institutions and banks during the year [Refer Clause 3 of Basis for Qualified Opinion], as follows:

Delay in Principal and Interest payments:

Amount in Rs.Lakhs

Nature	Name of the Lender	Amount not paid on due date	Principal or Interest	No. of days delay or unpaid	Remarks, if any
Cash credit	Canara Bank	5758.56	Principal	181 and above days	The loan has become NPA
Cash credit	ICICI Bank	16,032.85	Principal	181 and above days	The loan has become NPA
Cash credit	Punjab National Bank (Formerly Oriental Bank of Commerce)	4991.80	Principal	181 and above days	The loan has become NPA
Cash credit	Kotak Mahindra Bank	2036.26	Principal	181 and above days	The loan has become NPA
Term loan	SREI*	4000.00	Principal	181 and above days	The loan has become NPA
Interest on loans	ICICI Bank	4107.30	Interest	181 and above days	The loan has become NPA
Interest on loans	Canara Bank	193.00	Interest	181 and above days	The loan has become NPA
Interest on loans	Punjab National Bank (Formerly Orient Bank of Commerce)	249.40	Interest	181 and above days	The loan has become NPA
Interest on loans	SREI**	508.69	Interest	181 and above days	The loan has become NPA



* SREI has approved for restructuring of existing loan for final settlement for the FY 2023-24 - refer to note no. of financial statement.

- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or other lenders.
 - c) According to the information and explanations given to us and in our opinion, the Company has not raised any term loans during the year.
 - d) On an overall examination of the Ind AS financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes.
 - e) On an overall examination of the Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
 - f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x.
- a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally convertible) during the year.
- xi.
- a) No fraud by the Company and 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 up to the date of this report.
 - c) We have taken into consideration the whistle blower complaints received by the Company during the year and up to the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable Indian accounting standards - refer to note no. 2.39 of financial statements.
- xiv. (a) In our opinion and based on our examination, "the Company" does not have adequate internal audit system commensurate with the size and nature of its business.
- (b) Internal Audit has not been conducted for the period 01st April, 2023 to 31st March, 2024.



- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. As per the provisions of section 192 of the Companies Act, 2013.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) The company has not conducted any Non-Banking Financial or Housing Finance activities.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- d) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).
- xvii. The Company has incurred cash losses of Rs. 1,419.19 Lakhs during the financial year covered by our audit and Rs. 979.62 Lakhs cash losses for the immediately preceding financial year 2022-23. Further we state that the effect of an Unquantified Qualification (Refer Clause 3 of Basis For Qualified Opinion) on the figure of cash losses, has not been taken into consideration for the purpose of making comments in respect of this clause.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, our knowledge of the Board of Directors and management plans and based on our examination of evidence supporting the assumptions, we conclude based on the information obtained from the management and audit procedures performed that material uncertainty exists as on the date of the audit report indicate that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date, which depend on the outcome of the management plans on the discussions with its lenders to obtain approval for and implementation of appropriate debt resolution plan - Refer to note no. 2.45 of financial statements.
- xx. In view of the losses incurred by the company, it is not covered under the provisions of section 135 of the companies act 2013.
- xxi. The qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements, the details of the companies and the clauses of the CARO report containing the qualifications or adverse remarks -

S No	Name	CIN	Holding Company/subsidiary /Step down subsidiary Associate/Joint Venture	Clause number of the CARO report which is qualified or adverse
1	TN(DK) EXPRESSWAYS LIMITED	U45200TG2006PLC048941	Step down subsidiary	(vii),(ix), (xiii),(xiv)
2	TRICHY-THANJAVUR EXPRESSWAYS LIMITED	U45200TG2006PLC049815	Step down subsidiary	(vii),(ix), (xiii), (xiv), (xix)
3	CHHAPRA-HAJIPUR EXPRESSWAYS LIMITED	U45209TG2010PLC068742	Step down subsidiary	(vii),(ix), (xii),(xiv)
4	BARASAT-KRISHNAGAR EXPRESSWAYS LIMITED	U45203TG2011PLC073469	Step down subsidiary	(iv),(vii), (ix),(xii),(xiv), (xix)
5	VIJAYAWADA-MACHILIPATNAM EXPRESSWAYS LIMITED	U45209AP2011PLC077676	Step down subsidiary	(iv),(vii), (xix)
6	RAJALI-BAKHTIYARPUR EXPRESSWAYS LIMITED	U45203TG2012PLC080775	Step down subsidiary	(vii),(xix)
7	MADURAI-TUTICORIN EXPRESSWAYS LIMITED	U45203TG2006PLC050114	Subsidiary	(iv),(vii), (ix), (xiii),(xiv), (xvii), (xix)
8	NAMA HOTELS PRIVATE LIMITED	U55101TG2007PTC056818	Subsidiary	(vii), (xiv),(xvii)
9	MADHUCON HEIGHTS PRIVATE LIMITED	U45209TG2007PTC056733	Subsidiary	(vii), (xiv),(xvii)
10	MADHUCON MEGA MALL PRIVATE LIMITED	U45400TG2007PTC056734	Subsidiary	(vii), (xiv),(xvii)
11	MADHUCON TOLL HIGHWAYS LIMITED	U93000TG2008PLC060479	Subsidiary	(xiv), (xvii),(xix)
12	MADHUCON INFRA LIMITED	U45200TG2006PLC049235	Subsidiary	(vii),(ix), (xiv),(xvii), (xix)
13	RANCHI EXPRESSWAYS LIMITED	U45209TG2011PLC073568	Step down subsidiary	(vii),(ix),(xiv), (xix)

For P. Murali & Co,
Chartered Accountants,
FRN No: 007257S

A Krishna Rao
Partner
Membership No:020085
UDIN: 24020085BKAUHM9560

Place: Hyderabad
Date: 18-05-2024



Annexure B to the Independent Auditor's Report

Report on the Internal Financial Controls over Financial Reporting under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')

We have audited the internal financial controls over financial reporting of M/s. Madhucon Projects Limited ('the company') as of 31st March 2024 in conjunction with our audit of 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our Audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on Auditing deemed to be prescribed under section 143(10) of the Act 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 ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's Judgment, including the assessment of the risk 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 and the company's internal financial control 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 these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, 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 principles, and that receipts and expenditures are being made only in accordance with authorization 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 Limitation of Internal Financial Controls over Financial Reporting**

Because of the inherent limitation 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.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the *basis for qualified opinion*, the company has in all material respects reasonable internal financial controls system over financial reporting but not adequate and such internal financial controls over financial reporting were not operating effectively as at 31st March 2024 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 ICAI.

For P. Murali & Co.,
Chartered Accountants
Firm Registration No: 007257S

A Krishna Rao
Partner
Membership No: 020085
UDIN: 24020085BKAUHM9560

Place: Hyderabad
Date: 18-05-2024



Madhucon Projects Limited

Standalone Balance Sheet as at March 31, 2024

(All the amounts are in lakhs except 'No of Shares', 'Face value of Equity share' and Earning per share)

(R in Lakhs)

	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
1	ASSETS			
	Non-Current Assets			
	(a) Property, Plant and Equipment	2.1	2,866.86	3,195.30
	(b) Financial Assets			
	(i) Investments	2.2	1,09,286.70	1,39,837.38
	(ii) Trade Receivables	2.3	8,073.69	7,952.77
	(iii) Loans	2.4	10,112.67	12,918.41
	(iv) Others Financial Assets	2.5	17,322.13	9,574.37
	(c) Deferred tax Asset (Net)	2.6	5,579.56	4,576.05
	(b) Other Non-Current Assets	2.7	13,656.85	12,939.80
	Total Non-Current Assets		1,66,898.47	1,90,994.08
2	Current Assets			
	(a) Inventories	2.8	55.09	210.23
	(b) Financial Assets			
	(i) Trade Receivables	2.9	4,327.78	414.15
	(ii) Cash and Cash equivalents	2.10	553.99	474.41
	(iii) Others Financial Assets	2.11	5,754.65	4,842.97
	(c) Current Tax Asset (Net)	2.12	6,154.15	7,650.30
	(d) Other Current Assets	2.13	9,041.10	11,338.95
	Total Current Assets		25,886.77	24,931.01
	Total Assets		1,92,785.24	2,15,925.09
	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share capital	2.14	740.32	740.32
	(b) Other Equity	2.15	51,700.68	52,680.27
	Total Equity		52,441.01	53,420.60
	LIABILITIES			
1	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings			
	(ii) Trade Payables	2.16	8,092.79	7,214.26
	(A) total outstanding dues of micro enterprises and small enterprises; and			
	(B) total outstanding dues of creditors other than micro enterprises and small enterprises.]			
	(iii) Other Financial Liabilities	2.17	50.97	71.22
	(b) Provisions	2.18	78.52	110.56
	(c) Other Non-Current Liabilities	2.19	13,903.68	954.01
	Total Non-Current Liabilities		22,125.96	8,350.05
2	Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	2.20	36,739.68	53,347.94
	(ii) Trade Payables	2.21	36,723.60	45,514.38
	(A) total outstanding dues of micro enterprises and small enterprises; and			
	(B) total outstanding dues of creditors other than microenterprises and small enterprises.]			
	(iii) Other Financial Liabilities	2.22	11,815.26	13,955.78
	(b) Other Current Liabilities	2.23	25,390.48	34,713.05
	(c) Provisions	2.24	5,245.82	5,246.15
	(d) Current Tax Liabilities (Net)	2.25	2,303.44	1,377.15
	Total Current Liabilities		1,18,218.28	1,54,154.44
	Total Equity and Liabilities		1,92,785.24	2,15,925.09

Significant accounting policies & Notes to accounts 1 & 2

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

As per our reported even date annexed

For P.Murali & Co.
Chartered Accountants
FRN : 007257S

For and on behalf of the Board

A.Krishna Rao
Partner
Membership Number 020085
UDIN: 24020085BKADHM9560

N. Seethaiah
Managing Director
DIN-00784491

Mohammad Shafi
Jr Managing Director
DIN-07178265

J. Samba siva Rao
Director (F & A)
DIN: 09526475

Place : Hyderabad
Date : May 18, 2024

K. Venkateswarlu
Director cum CFO
DIN-09713108

D. Malla Reddy
Company Secretary
ACS: 9559



Madhucon Projects Limited

Statement of Profit and Loss for the year ended March 31, 2024

(All the amounts are in lakhs except "No of Shares", "Face value of Equity share" and Earning per share)

		Note No.	Year ended March 31, 2024	Year ended March 31, 2023
(₹ in Lakhs)				
	Income			
I	Revenue from Operations	2.26	95,124.33	90,080.64
II	Other Income	2.27	25,442.41	13,404.78
III	Total Income		1,20,566.74	1,03,485.42
	Expenses			
	Cost of Materials Consumed and Work Expenses	2.28	81,834.01	77,911.03
	Employee Benefits Expense	2.29	1,674.02	1,939.41
	Finance Costs	2.30	724.02	202.97
	Depreciation and amortization expense	2.1	611.26	581.96
	Other Expenses	2.31	37,553.88	24,411.64
IV	Total Expenses		1,22,597.19	1,05,047.00
V	Profit/Loss Before Tax before Exceptional Items (III-IV)		(2,030.45)	(1,561.58)
VI	Exceptional items		-	-
VII	Profit/Loss Before Tax after Exceptional Items(V-VI)		(2,030.45)	(1,561.58)
VIII	Tax Expense			
	Current Tax (Income Tax)		-	-
	Income Tax Refund Received		-	-
	Deferred Tax		(1,003.51)	(2,007.69)
			(1,003.51)	(2,007.69)
IX	Profit / (loss) for the period from continuing operations (VII-VIII)		(1,026.94)	446.11
X	Profit/(loss) from discontinued operations		-	-
XI	Tax Expense of discontinued operations		-	-
XII	Profit/(loss) from discontinued operations(After tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		(1,026.94)	446.11
XIV	Other Comprehensive Income / (Loss)			
	A (i) Items that will not be reclassified to profit or loss			
	a. Remeasurement of the Defined Benefit Plans		47.35	43.10
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Other Comprehensive Income / (Loss) for the year (net of taxes)		47.35	43.10
XV	Total Comprehensive Income/Loss for the Year (XIII+XIV)		(979.59)	489.21
XVI	Earnings per share of face value of ₹ 1 each (continuing operations)			
	Basic and Diluted		(1.39)	0.60
XVII	Earnings per equity share (for discontinued operations) Basic and Diluted		-	-
XVIII	Earnings per equity share (for continuing & discontinued operations) (XVII+XVIII) Basic and Diluted		(1.39)	0.60

Significant accounting policies & Notes to accounts 1 & 2
The accompanying notes are an integral part of the standalone financial statements
As per our reported even date annexed

For P.Murali & Co.
Chartered Accountants
FRN : 0072575

A. Krishna Rao
Partner
Membership Number 020085
ODIN: 24020085BKAUHM9560

Place : Hyderabad
Date : May 18, 2024

For and on behalf of the Board

N. Seethalek Managing Director DIN-00784491	Mohammad Shafi Jt Managing Director DIN-07178265	J. Samba siva Rao Director (F & A) DIN: 09526475
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K. Venkateswulu
Director cum CFO
DIN-09713198

D. Malla Reddy
Company Secretary
ACS: 9559



Madhucon Projects Limited

Standalone Statement of Cash Flow for the year ended March 31, 2024

(All the amounts are in lakhs except 'No of Shares', 'Face value of Equity share' and Earning per share)

(₹ in Lakhs)

	Year ended 31 March 2024	Year ended 31 March 2023
A Cash flow from operating activities		
Profit/(loss) before income tax	(2,030.45)	(1,561.58)
Adjustments for:		
Exceptional Item	-	-
Depreciation and amortisation expense	611.26	581.96
Dividend and interest income classified as investing cash flows	(185.47)	(36.75)
Finance costs	724.02	202.97
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	(4,034.56)	337.60
(Increase) decrease in inventories	155.13	172.20
(Increase)/decrease in other financial assets	(8,659.44)	9,448.12
(Increase)/decrease in other current and non-current assets	3,076.96	669.40
Increase/(decrease) in Loans	2,805.74	12,849.23
Increase/(decrease) in trade payables	(7,912.24)	(13,365.15)
Increase/(decrease) in other financial liabilities	(2,145.80)	(1,084.33)
Increase/(decrease) in other current and non-current liabilities	4,553.39	577.40
Increase/(decrease) in Non current Investments	30,550.68	9,001.00
Cash generated from operations	17,509.22	17,792.07
Income taxes paid	-	-
Net cash inflow from operating activities	17,509.22	17,792.07
B Cash flows from investing activities		
Payments for property, plant and equipment	(282.82)	39.20
Payments for purchase of investments	-	-
Dividend paid	-	-
Interest received	185.47	36.75
Net cash outflow from investing activities	(97.35)	75.95
C Cash flows from financing activities		
Proceeds/(Repayment) of long term borrowings	-	-
Proceeds from short term borrowings (net)	(16,608.26)	(18,248.54)
Interest paid	(724.02)	(202.97)
Net cash outflow from financing activities	(17,332.28)	(18,451.51)
Net increase/(decrease) in cash and cash equivalents	79.59	(583.49)
Cash and cash equivalents at the beginning of the financial year	474.41	1,057.89
Cash and cash equivalents at end of the year	553.99	474.41
Reconciliation of cash and cash equivalents as per the cash flow statement		
	31 March, 2024'	31 March, 2023'
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents	553.99	474.41
Balances per statement of cash flows	553.99	474.41

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

For P.Murali & Co.
Chartered Accountants
FRN : 007257S

For and on behalf of the Board

A.Krishna Rao
Partner
Membership Number 020085
UDIN: 24020085BKAUHM9560

N. Seethaiah
Managing Director
DIN-00784491

Mohammad Shafi
Jt Managing Director
DIN-07178265

J. Samba siva Rao
Director (F & A)
DIN: 09526475

Place: Hyderabad
Date : May 18, 2024

K. Venkateswarlu
Director cum CFO
DIN-09713108

D. Malla Reddy
Company Secretary
ACS: 9559



Madhucon Projects Limited

Notes forming part of Financial Statements

Company Overview:

Madhucon Projects Limited (MPL) or "the Company" is an integrated construction, Infrastructure development and management Company. The Corporate Office of the Company is located at 'Madhucon House' Road No.36, Jubilee Hills, Hyderabad, India.

The Company is engaged in the business of development and execution of Engineering, Procurement and Construction (EPC) and Turnkey Projects in multiple sectors such as Transportation, Irrigation, Water Resource Infrastructures, Railways, development of smart cities and properties in India. Completing the projects with high quality workmanship and commitment to excellence made the Company a leader in the industry. The Company is best in innovation, creativity and technological mastery, delivering top-quality work, ahead of schedule, in all sectors. A majority of the development projects of the Company are based on execution of Engineering, Procurement and Construction (EPC) and Turnkey Projects.

Basis of preparation:

A) Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The standalone financial statements were authorised for issue by the Company's Board of Directors on May 18, 2024.

Details of the Company's accounting policies are included in Note 1. The accounting policies set out below have been applied consistently to the years presented in the standalone financial statements.

B) Basis of Measurement

These financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value in accordance with Indian Accounting Standards (Ind AS). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Balance Sheet, the Statement of Profit and Loss and OCI are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

C) Functional and presentation currency

Amounts in the financial statements are presented in Indian Rupees in lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimal places.

1. Summary of significant accounting policies

1.1 Current versus non-current classification

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

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.



Madhucon Projects Limited

Notes forming part of Financial Statements

All liability is current when:

- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

1.2 Foreign exchange translation and foreign currency transactions:

The functional currency and presentation currency of the Company is Indian rupees.

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss.

1.3 Fair value measurement

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the standalone financial statements, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

Madhucon Projects Limited

Notes forming part of Financial Statements

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. On an annual basis, the Management presents the valuation results to the Audit Committee and the Company's independent auditors. This includes a detailed discussion of the major assumptions used in the valuations.

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

1.4 Use of Accounting Estimates & Assumptions:

The preparation of the financial statements requires that the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

1.5 Revenue recognition

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, The Company has applied the following accounting policy for revenue recognition:

Revenue from contracts with customers:

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.



Madhucon Projects Limited

Notes forming part of Financial Statements

Contract revenue (construction contracts)

Revenue from works contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Any variations in contract work, claims, and incentive payments are included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company.

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

Revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of revenue has been reflected as unearned revenue.

Operation and maintenance contracts

Revenue from maintenance contracts are recognized over the period of the contract as and when services are rendered.

Other Income:

Dividend Income:

Dividend income from Investments is recognised when the shareholder's right to receive payment has been established.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs its obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The contract assets are transferred to receivables when the rights become unconditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).



Madhucon Projects Limited

Notes forming part of Financial Statements

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

1.6 Taxes on Income

Income tax expense represents sum of the tax currently payable and deferred tax

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

1.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.8 Contingent Liabilities and Contingent assets

A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. A contingent liabilities arises where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the standalone financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.



Madhucon Projects Limited

Notes forming part of Financial Statements

1.9 Provisions

The Company recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation.

1.10 Investments in subsidiaries and joint ventures

The Company accounts for the investments in equity shares of subsidiaries and joint ventures at cost in accordance with Ind AS 27- Separate Financial Statements. The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit and Loss.

1.11 Employee Benefits:

Provident fund is defined Contribution scheme and contributions are charged to profit and loss account of the year when the contributions to the respective funds are due. Other retirement benefits such as Gratuity, leave encashment etc., are recognized on basis of the independent actuarial valuation.

1.12 Financial Instruments:

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at transaction values and where such values are different from the fair value, 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 are recognised immediately in profit or loss.

A. Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified in following categories:

(a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(b) Financial Assets Measured at Fair Value

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. In any other case, financial asset is fair valued through profit and loss.

(c) Impairment of Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit or loss.



Madhucon Projects Limited

Notes forming part of Financial Statements

(d) De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

(a) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

(b) Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

(c) Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

(d) De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

1.13 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

1.14 Earnings per Share:

Basic earnings per equity share are computed by dividing the net profit or loss for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

1.15 Lease

The Company has no leases or any contract containing lease and accordingly, no disclosure has been made on the same.



Madhucon Projects Limited

Notes forming part of Financial Statements

1.16 Impairment of non-financial assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Corporation estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.17 Schedule III amendment disclosures:

Ministry of Corporate Affairs ("MCA") issued notification dated March 24, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting April 1, 2021 and applied to the standalone financial statements:

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Additional disclosure for shareholding of promoters.
- Additional disclosure for ageing schedule of trade receivables, trade payables and capital work-in-progress.
- Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.
- Additional disclosure for relating to Corporate Social Responsibility (CSR) and undisclosed income.

1.18 Statement of Cash Flows:

Statement of Cash flows 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:

- i. Changes during the year in inventories and operating receivables and payables and transactions of a non-cash nature;
- ii. Non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses, and undistributed profits of associates; and
- iii. All other items for which the cash effects are investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company is segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement.

1.19 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including any directly attributable expenditure on making the asset ready for its intended use, attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at April 01, 2015 of its Property, Plant and Equipment and use the carrying value as deemed cost of the Property, Plant and Equipment on the date of transition i.e April 01, 2015.



Madhucon Projects Limited

Notes forming part of Financial Statements

1.20 Intangible Assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured. Intangible assets are stated at cost, less accumulated amortisation and accumulated impairment losses, if any. The estimated useful life and amortization method reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

1.21 Depreciation/ Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value. Depreciation on Property, Plant and Equipment have been provided on Straight-Line method in accordance with the Schedule II of the Companies Act, 2013, based on the useful life estimated on the technical assessment as in force and proportionate depreciation are charged for additions/disposals during the year. In respect of additions / disposal to the fixed assets / leasehold improvements, depreciation is charged from the date the asset is ready to use / up to the date of disposal. The asset's useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

1.22 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal.

Any gain or loss arising on de-recognition of the property is included in profit or loss in the period in which the property is derecognized.

1.23 Inventories:

Raw Materials:

Raw Materials, construction materials and stores & spares are valued at lower of weighted average cost or net realizable value. Cost includes all charges in bringing the materials to the place of usage, excluding refundable duties and taxes.

Work in Progress:

Work-in-Progress is valued at the contracted rates less profit margin / estimates.

1.24 Interest in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a company undertakes its activities under joint operations, the company as a joint operator recognises in relation to its interest in a joint operation:

1. its assets, including its share of any assets held jointly,
2. its liabilities, including its share of any liabilities incurred jointly,
3. its revenue, including its share any revenue arising jointly.
4. its expenses, including its share of any expenses incurred jointly.

The Company accounts for the assets, liabilities, revenues, and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues, and expenses.



Madhucon Projects Limited

Notes forming part of Financial Statements

1.25 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

1.26 Claims

Claims against the company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

1.27 Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for
- b) Uncalled liability on shares and other investments partly paid
- c) Funding related commitment to subsidiary, associate and joint venture companies and
- d) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.
- e) Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.1 Property, Plant and Equipment
MADHUCON PROJECTS LIMITED

Cost	Land	Building	Plant & Equipment	Tipper & Trucks	Furniture & Fixtures	Vehicles	Centring Material	Temporary Structures	Computers	Capital Work In Progress	Total
As at 31 March 2021	1,220.47	21.67	27,669.14	12,428.15	1,333.06	1,876.67	2,216.80	3,436.05	452.57	-	50,654.59
Additions	-	-	1.78	-	16.17	75.12	-	-	11.07	-	104.13
Disposals	134.10	-	347.70	1,285.59	-	118.63	3.96	-	-	-	1,889.98
As at 31 March 2022	1,086.37	21.67	27,323.22	11,142.55	1,349.23	1,833.16	2,212.84	3,436.05	463.64	-	48,868.74
Additions	-	-	305.36	-	39.11	2.48	115.76	-	34.16	-	496.87
Disposals	-	-	882.97	652.07	3.09	14.98	-	-	-	-	1,553.11
As at 31 March 2023	1,086.37	21.67	26,745.61	10,490.48	1,385.25	1,820.66	2,328.60	3,436.05	497.80	-	47,812.50
Additions	-	-	49.36	-	18.04	-	256.15	-	11.40	-	334.96
Disposals	52.14	-	359.39	897.48	-	0.75	-	-	-	-	1,309.75
As at 31 March 2024	1,034.24	21.67	26,435.58	9,593.00	1,403.30	1,819.92	2,584.75	3,436.05	509.20	-	46,837.70
Depreciation											
As at 31 March 2021	-	20.86	26,500.66	10,937.99	1,272.41	1,643.81	2,110.00	3,405.11	435.87	-	46,326.72
During the year	-	0.27	296.39	14.58	13.96	107.69	-	30.85	14.32	-	478.06
Disposals/Adjustments	-	-	(367.85)	(1,264.03)	-	(118.45)	(2.17)	-	-	-	(1,752.49)
As at 31 March 2022	-	21.13	26,429.21	9,688.55	1,286.37	1,633.06	2,107.83	3,435.96	450.18	-	45,052.29
During the year	-	0.27	409.29	4.07	16.08	96.76	42.40	0.04	13.04	-	581.96
Disposals/Adjustments	-	-	(413.46)	(585.60)	(1.96)	(16.02)	-	-	-	-	(1,017.04)
As at 31 March 2023	-	21.40	26,425.04	9,107.01	1,300.48	1,713.80	2,150.23	3,436.01	463.23	-	44,617.20
During the year	-	0.27	347.10	171.17	14.36	29.55	32.04	-	16.76	-	611.26
Disposals/Adjustments	-	-	(359.39)	(897.48)	-	(0.75)	-	-	-	-	(1,257.61)
As at 31 March 2024	-	21.67	26,412.75	8,380.71	1,314.84	1,742.61	2,182.27	3,436.01	479.99	-	43,970.84
As at 31 March 2024	1,034.24	0.00	22.83	1,212.29	88.45	77.30	402.49	0.04	29.21	-	2,866.86
As at 31 March 2023	1,086.37	0.27	320.57	1,383.47	84.77	106.86	178.38	0.04	34.57	-	3,195.30



Notes forming part of Financial Statements
2.2 Investments

	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
1) Investment in Equity Instruments				
(i) Subsidiaries				
In Shares of ₹10 each, fully paid up (otherwise specified)				
Madhucon Infra Limited	1,22,20,27,045	91,652.03	1,22,20,27,045	1,22,202.70
Madurai Tuticorin Expressways Limited	8,85,61,500	8,856.15	8,85,61,500	8,856.15
Nama Hotels Private Limited	2,71,21,200	2,712.12	2,71,21,200	2,712.12
TN (DK) Expressways Limited	1,00,000	10.00	1,00,000	10.00
Trichy Thanjavur Expressways Limited	1,00,000	10.00	1,00,000	10.00
Chhappara Hajipur Expressways Limited	1,00,000	10.00	1,00,000	10.00
Madhucon Toll Highways Limited	30,000	3.00	30,000	3.00
Madhucon Mega Mall Private Limited	20,000	2.00	20,000	2.00
Madhusen Heights Private Limited	20,000	2.00	20,000	2.00
Barnast-Krishnagar Expressways Limited	14,000	1.40	14,000	1.40
Ranchi Expressways Limited	14,000	1.40	14,000	1.40
PT Madhucon Indonesia	7,60,000	350.97	7,60,000	350.97
7,60,000 Ordinary Shares of Indonesia Rp1 10,110 (Face Value of SGD 1)	750	0.21	750	0.21
(ii) Others:				
In Shares of ₹ 10 each, fully paid up				
Madhucon Properties Limited	10,000	1.00	10,000	1.00
In Shares of ₹10 each, fully paid up				
Rajmangalam Gas Power Private Limited	4,88,080	48.81	4,88,080	48.81
Canara Bank Limited	4,100	1.44	4,100	1.44
2) Other Investments *				
PT Madhucon Indonesia	-	3,573.18	-	3,573.18
Madurai Tuticorin Expressways Limited	-	435.00	-	435.00
Chhappara Hajipur Expressways Limited	-	1,616.60	-	1,616.00
Total		1,09,286.70		1,39,837.38

	As at March 31, 2024		As at March 31, 2023	
	Cost	Market Value	Cost	Market Value
Aggregate market value of Quoted Investments	1.44	-	1.44	-
Aggregate amount of Unquoted Investments	1,09,285.27	-	1,39,835.94	-
Total	1,09,286.70	-	1,39,837.38	-

* (i) The carrying value of investments held includes unsecured loans and advances given by the company to its subsidiaries. Certain subsidiaries have been incurring losses, net worth was fully or substantially eroded. Management of the company in the view that carrying value of the investments and loans and advances are realizable at the value stated in the books taking into account the internal assessment and initiatives to be implemented to improve the working of the subsidiaries in the medium to long term.

(ii) The management, based on valuation reports, has determined that the "Investment in Madhucon Infra Limited" had no value and decided to written off this investment over a period of 4 financial years and has written off Rs. 30,550.68 lakhs, being 26% of the investment during the year ended.

(iii) The long term unquoted investments in equity shares of subsidiary companies as given hereunder are pledged with Banks and Financial Institutions which have extended loan facilities in the respective investee companies.

S.No	Name of the Subsidiary	No of Shares pledged	
		2023 -24	2022 -23
1	Madurai Tuticorin Expressways Limited	8,85,61,500	8,85,61,500
2	Madhucon Infra Limited	56,44,77,705	56,44,77,705
3	Nama Hotels Private Limited	1,38,41,000	1,38,41,000

2.3 Trade Receivables

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current*	Non-Current	Current*
'Un Secured, Considered good				
'Trade Receivables				
'From Related Parties	8,073.69	874.14	7,952.77	-
'From Joint Ventures	-	1,279.74	-	110.49
'From Others -				
'Government Companies	-	1,632.81	-	303.66
'Others	-	341.09	-	-
Total	8,073.69	4,227.78	7,952.77	414.15

Particulars	Outstanding for following periods from due date of payment (B.Y. 2023-24)					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Un disputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Un disputed Trade Receivables - which have significant increase in credit risk	-	120.92	016.00	156.00	6,880.77	8,073.69
(iii) Un disputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Total	-	120.92	016.00	156.00	6,880.77	8,073.69

Particulars	Outstanding for following periods from due date of payment (B.Y. 2022-23)					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Un disputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Un disputed Trade Receivables - which have significant increase in credit risk	310.00	-	156.00	-	6,880.77	7,352.77
(iii) Un disputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Total	310.00	-	156.00	-	6,880.77	7,352.77

2.4 Loans

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current*	Non-Current	Current*
Unsecured, considered good				
Loans to Related Parties	10,112.67	-	12,918.41	-
Total	10,112.67	-	12,918.41	-

Loans to Madhucon Infra Limited		[₹ in Lakhs]
		As at March 31, 2024
Opening balance as on 01.04.2023		12,918.41
Add: Loan given during the year		1,457.34
Less: Loan written off during the year		4,263.07
Closing Balance		10,112.67

*During the year company has written off loan given to subsidiary (madhucon infra limited) Rs. 4,263.07 lakhs, as the subsidiary networth is was fully eroded and not

Notes forming part of Financial Statements

2.5 Other Financial Assets

(` in Lakhs)

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current*	Non-Current	Current*
Unsecured, considered good				
Bank Deposits with more than 12 months maturity	612.06	-	662.64	-
Current Money Deposits	191.87	0.44	191.87	58.42
Retention Money Deposit	5,323.43	2,562.56	2,061.64	1,376.57
Security Deposit	211.14	175.86	61.43	112.26
Margin money and other deposits with banks	1,169.95	-	1,041.49	-
Advances-				
Related Parties	784.52	2,806.25	785.77	2,806.25
Others-				
Performance Guarantee	6,787.45	-	4,573.79	-
Advances for OTS	2,219.97	-	123.00	-
PT Madhucon Briwajaya Power	21.75	-	21.75	-
NHR Infra Investment Private Limited	-	8.04	-	7.97
Madhucon Sugar and Power Industries Ltd	-	200.30	-	-
Retention money	-	1.50	-	-
Withheld	-	-	-	284.58
Total	17,322.13	5,784.65	9,574.37	4,842.97

2.6 Deferred Tax Asset / (Liability) (net)

(` in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Deferred Tax Asset		
Opening Balance	3,376.55	2,566.36
During the year	1,003.51	2,007.69
Total	5,579.56	4,576.05

2.7 Other Non-Current Assets

(` in Lakhs)

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current*	Non-Current	Current*
Advance to suppliers and sub-contractors	11,338.63	9,038.66	10,695.63	11,323.04
Interest Accrued on Deposits	7.59	-	7.59	-
Advance to Related Parties	1,967.89	-	1,803.54	-
MA ¹ Credit	343.04	-	343.64	-
Recd Deposits	-	2.44	-	15.92
Total	13,656.85	9,041.10	12,939.80	11,338.95

2.8 Inventories

(` in Lakhs)

	As at March 31, 2024	As at March 31, 2023
*Raw Materials	55.09	210.23
Total	55.09	210.23

*Raw Materials are valued at lower of weighted average cost or net realisable value

2.9 Trade Receivables

(` in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Un Secured, Considered good		
Trade Receivables		
From Related Parties	874.14	-
From Joint Ventures	1,279.74	110.49
From Others -		
Government Companies	1,832.81	303.66
Others	341.09	-
Total	4,327.78	414.15

Particulars	Outstanding for following periods from due date of payment (FY 2023-24)					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,770.95	147.51	409.32	-	-	4,327.78
(ii) Increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
	3,770.95	147.51	409.32	-	-	4,327.78

Particulars	Outstanding for following periods from due date of payment (FY 2022-23)					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	414.15	-	-	-	-	414.15
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
	414.15	-	-	-	-	414.15

2.10 Cash and Cash Equivalents

(` in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Cash on hand	0.98	4.68
Balances with Banks		
In Current Accounts	486.43	409.93
Fixed Deposit Receipts	50.38	53.17
Other Bank Balances		
Insoperative Accounts	10.83	-
Unpaid Dividend Accounts	5.37	6.62
Total	553.99	474.41



Notes forming part of Financial Statements

2.11 Other Financial Assets

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Retention Money Deposit	2,562.56	1,376.87
Security Deposit	175.85	312.29
Advances-		
Related Parties	2,806.25	2,866.25
Others-		
NRI Infra Investment Private Limited	8.04	7.97
Madhucon Sugar and Power Industries Ltd	300.00	-
Retention money	1.50	-
Withheld	-	240.50
Current Money Deposits	0.44	50.42
Total	5,784.68	4,842.97

2.12 Current Tax Asset(Net)

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
TDS Receivables	5,332.83	7,100.79
GST Input	821.32	549.51
Total	6,154.15	7,650.30

2.13 Other Current Assets

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Rental Deposits	2.44	15.92
Advance to suppliers, sub-contractors and others	9,038.66	11,323.04
Total	9,041.10	11,338.96

2.14 Equity Share Capital

	Number of Shares	As at March 31, 2024	Number of Shares	As at March 31, 2023
Authorized				
Equity Shares of ₹1 each	30,00,00,000	3,000.00	30,00,00,000	3,000.00
Preference Shares of ₹100 each	20,00,00,000	2,000.00	20,00,00,000	2,000.00
Total		5,000.00		5,000.00
Issued, Subscribed and Called up Capital				
Equity Shares of ₹1 each	7,42,68,940	742.69	7,42,68,940	742.69
Fully paid up Capital				
Equity Shares of ₹1 each	7,37,94,940	737.95	7,37,94,940	737.95
Add : Forfeited Shares Amount originally paid up	2,37,250	2.37	2,37,250	2.37
Total		740.32		740.32

a) Reconciliation of the Number of Equity Shares Outstanding at beginning and at end of the year

	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	7,37,94,940	737.95	7,37,94,940	737.95
Add: Equity Shares allotted during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Balance at the end of the year	7,37,94,940	737.95	7,37,94,940	737.95

b) Terms/ Rights attached to Shares:

The Company has only one class of paid-up equity shares having par value of ₹ 1 per share. Each shareholder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees only.

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

c) Details of shares held by shareholder holding more than 5%

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% of share holding	Number of shares held	% of share holding
1) Sri Nagesh Nageshwar Rao	1,07,32,262	14.54	1,07,32,262	14.54
2) M/A Madhucon Granites Limited	80,44,000	10.90	80,44,000	10.90
3) Sri. Nann Chinnamma	61,58,000	8.34	61,58,000	8.34

d)

S.No	Shares held by promoters at the end of the year			% Change during the year
	Promoter name	No. of Shares	% of total shares	
1	Nann Nageswar Rao	1,07,32,262	14.54%	-
2	Seshiah Nann	23,402	0.03%	-
3	Kishoreiah Nann	4,62,537	6.03%	-
4	Chandei Nann	11,06,928	1.50%	-
5	Nann Chinnamma	61,58,000	8.34%	-
6	Prithvika Nann	10,51,559	1.42%	-
7	Shivapada Nann	6,62,350	0.88%	-
8	Rameshwar Rao	67,500	0.09%	-
9	Srinivasan Ramana	10,21,500	1.37%	-
10	Ramesh Nann	5,00,000	0.67%	-
11	Tann Nann	30,76,239	4.17%	-
12	Nann Himan	11,06,928	1.50%	-
13	Nann Rubika	29,84,993	4.05%	-
14	Any Other (specify)			-
14	Madhucon Granites Limited	80,44,000	10.90%	-
15	Nann Investments Limited	36,44,410	4.94%	-
16	NRI Infra Investments Limited	7,25,503	0.99%	-
	Total	4,13,99,278	56.09%	-

2.15 Other Equity

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
(a) Securities Premium	20,313.07	20,313.07
(b) General Reserve		
Opening Balance	3,061.53	5,061.53
Add: Transfer from Surplus in Statement of Profit and Loss	-	-
Closing Balance	6,061.53	8,061.53
(c) Surplus in Statement of Profit and Loss		
Opening Balance	18,646.91	18,300.80
Add : Profit for the Year	(1,026.94)	446.11
Translation Movement	-	-
Less : Appropriations		
Proposed Dividend	-	-
Dividend Distribution Tax	-	-
Transfer to General Reserve	-	-
Closing Balance	17,619.97	18,646.91
(d) Other Components of Equity		
Remeasurments of the Retirement Defined Benefit Plans	157.83	110.48
Expected credit loss on fair valuation of financial assets	(311.70)	(311.70)
Increase/(Decrease) in borrowing cost pursuant to application of Effective Interest rate method	(140.02)	(140.02)
Total (a)+(b)-(c)+(d)	31,709.68	31,709.68

Notes forming part of Financial Statements

2.16 Trade Payables

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current *	Non-Current	Current *
For Supplies and Services	3,768.34	22,890.15	680.53	35,744.13
(a) Total outstanding dues of micro enterprises and small enterprises, and				
(b) Total outstanding dues of creditors other than microenterprises and small enterprises				
Retention Money Deposits	3,134.92	1,393.92	2,381.93	3,355.22
(a) Total outstanding dues of micro enterprises and small enterprises, and				
(b) Total outstanding dues of creditors other than microenterprises and small enterprises				
Others	1,189.52	12,439.52	4,151.89	6,415.02
(a) Total outstanding dues of micro enterprises and small enterprises, and				
(b) Total outstanding dues of creditors other than microenterprises and small enterprises				
Total	8,092.78	36,723.60	7,214.35	45,514.38

The Company has written back Trade Payables amounting to Rs. 9,542.19 lakhs for the Year ended 31st March, 2024.

Particulars	Outstanding for following periods from due date of payment (FY 2023-24)				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	-	2,965.15	2,351.19	2,801.48	8,022.79
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	2,508.35	1,346.16	1,801.45	6,055.95

Particulars	Outstanding for following periods from due date of payment (FY 2022-23)				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	498.24	701.34	1,779.55	4,236.43	7,214.24
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	498.24	701.34	1,779.55	4,236.43	7,214.24

2.17 Other Financial Liabilities

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current *	Non-Current	Current *
Interest Accrued and due on Borrowings	-	626.72	-	1,965.45
Unpaid Dividend Accounts	-	3.73	-	4.78
Payable to Related Parties	-	-	-	-
Other Payables -				
*Advance against Arbitration award	-	4,664.64	-	4,664.64
Employees	-	981.99	-	1,050.36
Royalty	-	589.35	-	644.05
Works Contract Tax, Central Sales Tax, VAT	-	416.01	-	696.79
Dividend Tax	-	159.93	-	139.93
ESI, PF	-	76.39	-	98.48
Expenses Payable	-	58.99	-	45.85
Director Remuneration	-	17.05	-	5.12
Madhuccon Granite Limited	-	2,477.78	-	2,482.24
Shareholders	-	1,767.85	-	2,158.05
Employees	50.97	-	71.22	-
Total	50.97	11,815.26	71.22	13,968.79

* Refer Note No 2.22 for Other Current Financial Liabilities

2.18 Provisions

Provision for Employee Benefits	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Gratuity	59.19	74.75
Compensated absences	19.34	35.81
Total	78.52	110.56

2.19 Other Non-Current Liabilities

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current *	Non-Current	Current *
Mobilization Advance	3,749.32	110.33	945.29	3,116.81
Other Liabilities - Machinery Recovery	117.31	-	-	386.96
Material Advance	8.72	-	8.72	-
Revenue Received in advance	-	185.80	-	245.39
Advances from Related Parties	-	25,094.35	-	31,043.98
Other Liabilities - Fines & Penalties	515.58	-	-	-
Other Liabilities - Retention	1,496.42	-	-	-
Other Liabilities - Royalty	219.64	-	-	-
Other Liabilities - GST Withheld	1,022.77	-	-	-
Other Liabilities - Withheld	6,733.92	-	-	-
Total	13,903.68	25,390.48	954.01	34,713.05

2.20 Borrowings

Loans repayable on demand	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Secured:		
From Banks	33,369.17	48,839.25
Current maturities for Long term debt (NBFC)*	3,370.51	4,508.69
Total	36,739.68	53,347.94

SREI Equipment Finance Limited (NBFC) filed to "NCLT" for restoration of application of Corporate Insolvency Resolution process (CIRP) against the Company, which has been admitted vide its order dated 08.12.23.

Subsequently, "the Company" filed an appeal with NCLAT and the impugned order dated 08.12.2023 of NCLT was set aside and remanded back to the NCLT for fresh review vide order dated 12.12.2023. The financial creditor and the Company have initiated the process of settlement on 18.01.2024 by restructuring the existing loan and submitted a joint memo before "The Hon'ble National Company Law Tribunal" (NCLT) on 05.02.2024.

SREI Equipment Finance Limited has approved for Restructuring of existing loan dues for a final settlement of Rs. 4,952.00 Lakhs, vide its letter dated 02.02.2024.

The SREI Equipment Finance Limited filed withdrawal memo on 28.03.2024 seeking leave of this "NCLT" to withdraw the company petition. NCLT by an order dated 28.03.2024 allowed the company petition stands disposed of as withdrawn.

Cash Credit/Overdraft facilities availed from banks are secured by:

a) First part-passu hypothecation charge to all working capital banks in Multiple Banking Arrangement on all existing and future current assets

b) Second part-passu on all the fixed assets of the Company both present and future.

* Secured by hypothecation of Assets purchased on finance

Outstanding balances as on March 31, 2024



Notes forming part of Financial Statements

Name of the Bank	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
ICICI Bank	20,140.15	22,732.69
State Bank of India*	-	4,214.38
Punjab National Bank	5,241.20	5,241.20
Kotak Mahindra Bank	2,036.26	2,036.26
IDBI Bank *	-	5,627.89
Bank of India*	-	2,661.70
AKIS Bank**	-	373.62
Canara Bank	5,951.56	5,951.56
Total	33,369.17	48,839.35

Company has defaulted in repayment of dues to the banks as at 31st March 2024 and all the outstanding loans were classified as NPA by the banks. The company has not provided the interest for the year ended 31st March 2024 on its loans.

* During the year, balances in case of some banks were settled through OTS.

** In case of axis bank, the loan has been settled and Credit Limits have been renewed.

Details of delay in repayment of principal and interest to Banks and Financial Institutions as on March 31, 2024

Name of the Bank / Financial Institution	Principal (₹ in Lakhs)	Period of delay	Interest (₹ in Lakhs)	Period of delay
Kotak Mahindra Bank	2,036.26	2665 days	-	-
Punjab National Bank	4,991.80	1976 days	249.40	1976 days
ICICI Bank	18,032.85	2433 days	4,107.30	2433 days
Canara Bank	5,759.56	1882 days	193.00	1882 days

Since the company has defaulted in repayment of borrowings to banks, loans were declared as NPAs by banks. Hence entire borrowings are shown in Current Liabilities.

2.21 Trade Payables

	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
For Supplies and Services	22,890.16	35,744.13
(a) Total outstanding dues of micro enterprises and small enterprises, and	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.	-	-
Retention Money Deposits	1,353.92	3,355.22
(a) Total outstanding dues of micro enterprises and small enterprises, and	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.	-	-
Others	12,439.52	6,413.02
(a) Total outstanding dues of micro enterprises and small enterprises, and	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises.	-	-
Total	36,723.60	45,514.38

Particulars	Outstanding for following periods from due date of payment (F.Y 2023-24)				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	5.62	7.77	191.32	-	204.71
(b) Others	19,885.72	3,892.10	1,588.07	11,672.51	36,518.90
(c) Disputed dues-MSME	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-
Total	19,891.34	3,899.87	1,779.39	11,672.51	36,723.60

Particulars	Outstanding for following periods from due date of payment (F.Y 2022-23)				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(a) MSME	-	-	-	-	-
(b) Others	13,647.04	10,966.02	4,302.40	15,798.28	45,514.38
(c) Disputed dues-MSME	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-
Total	13,647.08	10,966.02	4,302.40	15,798.28	45,514.38

2.22 Other Financial Liabilities

	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Interest Accrued and due on Borrowings	626.72	1,065.48
Unpaid Dividend Accounts	3.73	4.78
Other Payables*	-	-
*Advance against Arbitration award	4,664.64	4,664.64
Employees	981.99	1,050.36
Royalty	589.35	644.05
Works Contract Tax, Central Sales Tax, VAT	416.01	696.79
Dividend Tax	139.93	139.93
ESI, PF	70.30	58.48
Expenses Payable	59.90	45.95
Director Remuneration	17.05	5.12
Madhucon Genitex Limited Shareholders	2,477.79	2,482.28
Total	11,815.26	13,955.78

* NHA challenged the award in Honorable High Court against which the company submitted the bank guarantee and recovered award amount in part or advance.

2.23 Other Current Liabilities

	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Revenue Received in advance	185.80	245.30
Mobilisation Advance	110.33	3,116.51
Machinery Advance	-	306.06
Advances from Related Parties	25,094.35	31,043.98
Total	25,390.48	34,713.85

2.24 Provisions

	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits	-	-
Gratuity	64.89	64.23
Compensated absence	13.79	14.78
Other Provisions	-	-
Provision for Bad Debts	4,128.46	4,128.46
Provision for Others-	-	-
Provision for Expected Credit Loss	870.63	870.63
Provision for Sub Contractors	168.05	168.05
Total	5,245.82	5,246.15

2.25 Current Tax Liabilities (Net)

	₹ in Lakhs	
	As at March 31, 2024	As at March 31, 2023
TDS Payable	2,303.44	1,377.15
Total	2,303.44	1,377.15

Notes forming part of Financial Statements

2.26 Revenue from Operations

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Income from Contracts and Services	94,508.82	86,335.99
Other Operating Income-		
Supply of Materials and Machinery hire services to Sub Contractors	408.75	1,498.47
Sale of Scrap and Aggregate	146.75	132.88
Income Tax Refund	-	2,098.31
Total	95,124.33	90,065.64

2.27 Other Income

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income	185.47	36.75
Profit on Sale of Asset	113.75	55.83
Benefit on OTS	12,503.97	-
Balances Write Back	11,631.39	11,213.77
Miscellaneous Income	1,607.84	2,098.43
Total	25,442.41	13,404.78

2.28 Cost of Materials Consumed and Work Expenses

	Year ended March 31, 2024		Year ended March 31, 2023	
Construction Materials, Stores and spares				
Opening Stock	219.23		382.43	
Add: Purchases	17,422.83		14,511.58	
Less : Closing Stock	55.09		210.23	
Total Consumption	17,577.97		14,683.78	
Work Expenses	64,256.04		63,227.24	
Total	81,834.01		77,911.03	

2.29 Employee Benefits Expense

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Salaries & Wages and Bonus	1,664.60	1,732.12
Contributions to provident and other funds	30.57	12.36
Staff Welfare Expenses	178.86	194.92
Total	1,874.02	1,939.41

2.30 Finance Cost

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expense	724.02	302.97
Total	724.02	302.97

2.31 Other Expenses

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Rent	312.89	346.66
Rates & Taxes	108.50	78.77
Travelling Expenses	148.02	117.26
Security Expenses	247.49	119.80
Insurance Charges	48.88	172.32
Consultancy charges	627.63	281.86
Amounts written Off	4,657.03	21,976.86
Investment Written Off	30,550.66	-
Administrative Expenses	597.08	511.12
Foreign Exchange Loss	-	442.51
Donations	14.48	-
Bank Guarantee Commission	241.01	364.48
Total	37,553.88	24,411.64

Madhucon Projects Limited

Notes forming part of Financial Statements

2.32 Contingent Liabilities not provided for:

(₹ in Lakhs)

S.No	Particulars	As at 31.03.2024	As at 31.03.2023
1	Bank Guarantees**	22,177.40	24,105.61
2	Disputed Sales Tax (on appeal)	-	637.42
3	Entry Tax	8.85	8.85
4	Service Tax	1,655.75	1,655.75
5	Provident Fund	1,083.64	1,083.64
6	Work Contract Tax	396.86	-
7	Interest on TDS paid	542.99	-
8	Arbitration award claim	6,792.88	-
9	The Company is a party to legal suits on construction contract terms related disputes, pending before various courts in India as well as arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending disputes / litigations until the cases are decided by the appropriate authorities	Amount not ascertainable	Amount not ascertainable

**Includes issued on behalf of Subsidiaries and Joint Ventures

9,914.55

10,157.85

2.33 Employee benefits

Gratuity: The Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees of Madhucon. The Gratuity Plan provides a lumpsum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to these defined benefit plan are determined by actuarial valuation, performed by an external actuary, at each Balance Sheet date using the projected unit credit method. These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market risk.

Provident Fund: Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

2.34 Remuneration to auditors:

(₹ in Lakhs)

S.No	Particulars	2023-24	2022-23
1	Statutory Audit Fee	8.00	8.00
2	Tax Audit Fee	2.00	2.00
3	GST Audit Fee	3.00	3.00

2.35 Segment Reporting:

The Company's operations predominantly consist of construction/project activities. Hence there are no reportable segments under Ind AS 108.

Madhucon Projects Limited

Notes forming part of Financial Statements

2.36 Disclosure in accordance with Ind AS 115 Construction contracts

Particulars	₹ in Lakhs)	
	2023-24	2022-23
Contract revenue recognized	94,508.82	86,338.99
Aggregate of contract costs incurred and recognized profits (less recognized losses) up to the reporting date for Contracts in progress	6,22,045.77	5,61,627.75
Amount of advances received for contracts in progress	2,743.33	2,975.12
Amount of retention money for contracts in progress	3,211.64	154.24
Gross amount due from customers for contracts in progress	2,299.23	414.15

2.37 Confirmation of balances as at 31st March 2024 could be obtained only for some of the Trade Payables, Trade Receivables and various advances, loans and borrowings. Further, in view of the management no material adjustments would be required in the Books of Account upon receipt of these confirmations.

2.38 Earnings per Share:

	₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Net Profit after tax available for equity shareholders	(1,026.94)	446.11
Weighted Average number of equity shares for Basic EPS (Nos)	7,37,94,940	7,37,94,940
Weighted Average number of equity shares for Basic EPS (Nos)	7,37,94,940	7,37,94,940
Face Value per Share (₹)	1.00	1.00
Basic and Diluted EPS * (₹)	(1.39)	0.60

*The Company has no dilutive instruments. As such Diluted Earnings per share equals to Basic Earnings per share.

2.39 Related Party Transactions:

i. Following are the list of related parties

S.No.	Particulars
	Subsidiaries
1)	Madhucon Infra Limited [Includes Subsidiaries (a to d), mentioned below]
	a) Madhucon Toll Highways Ltd
	b) TN (DK) Expressways Ltd (audited by others)
	c) Trichy-Tanjavur Expressways Ltd (audited by others)
	d) Barasat-Krishnagar Expressways Ltd (audited by others)



Madhucon Projects Limited
Notes forming part of Financial Statements

e) Ranchi Expressways Ltd (audited by others)
f) Vijayawada-Machilipatnam Limited (audited by others)
g) Rajauli-Bakhtiyapur Expressways Limited (audited by others)
h) Chhapra-Hajipur Expressways Limited (audited by others)
i) PT Madhucon Indonesia (unaudited)
2) Madurai-Tuticorin Expressways Limited (audited by others)
3) Madhucon Mega mall Pvt Ltd
4) Nama Hotels Pvt Ltd
5) Madhucon Heights Pvt Ltd

(II) Related party transactions during the year as follows

	(₹ in Lakhs)	
	2023-24	2022-23
Revenue from Contracts and Services		
Step-down subsidiaries	9,243.98	2,659.68
Jointly Controlled/entities and ventures	2,871.94	642.23
Remuneration		
Key Management Personnel	151.87	134.53
Director Sitting Fee	2.60	1.75
Loans/Advances Given		
Subsidiaries	(2,789.46)	(6,740.22)
Step-down subsidiaries	194.97	957.69
Jointly Controlled/entities and ventures	(9.14)	2544.41
Loans/Advances Received		
Subsidiaries	-	530.97
Step-down subsidiaries	(1,545.47)	1,476.78
Retention Money		
Step-down subsidiaries	462.17	132.98
Jointly Controlled/entities and ventures	271.45	35.21

(III) Related Party balances outstanding at the end of the year as follows

	(₹ in Lakhs)	
	2023-24	2022-23
Trade Receivables		
Step-down subsidiaries	8,947.84	7,952.77
Jointly Controlled/entities and ventures	1,279.74	110.49
Outstanding Receivables		
Subsidiaries	13,352.25	16,146.21
Step-down subsidiaries	2,330.55	2,256.50
Jointly Controlled/entities and ventures	2,833.83	-



Madhucon Projects Limited

Notes forming part of Financial Statements

Key Management Personnel	-	64.78
Outstanding Payables		
Subsidiaries	-	4.50
Step-down subsidiaries	9,456.74	15,786.78
Bank Guarantees		
Step-down subsidiaries	4,335.00	4,335.00
Jointly Controlled/entities and ventures	5,579.55	5,822.85

2.40 Some of the Bank Accounts at closed projects which are in dormant and have not been reconciled due to non-availability of statements.

2.41 Some of the entries as per 26AS not reflected in books of accounts and the same is under reconciliation with books of account.

2.42 Certain accounts are pending from long times which are not recoverable/payable as per limitation Act, passed necessary entries in books of account.

2.43 A portion of the balance receivable from Madhucon Infra Limited (subsidiary company) has been written off in the books of account based on the internal assessment.

2.45 Going Concern

In Preparing the financial statements the Board of Directors have considered the operations of the Company as going concern notwithstanding that the Company incurred a net loss of Rs.979.59 Lakhs (Previous Year a net Profit Rs.489.21) Lakhs for the financial year ended 31st march 2024, and as at that date, the Company is in net current liabilities position of Rs. 92,331.50 Lakhs (Previous year Rs. 1, 29,223.44 Lakhs) as at 31st March 2024, and has defaulted in payments of dues to Banks. However, the management believes the use of going concern assumption on the preparation of the financial statements of the company is still appropriate in view of closing some of the liabilities on OTS basis and implementation of OTS agreements already entered into in case of some banks, and its continuing discussions with its other lenders to obtain approval for and an appropriate debt resolution plan and also, that the company will continue to be in operation in the foreseeable future.

2.46 Additional Regulatory Information

- i) Title Deeds of all immovable properties are held in the name of the company.
- ii) The Company is not in possession of any Investment property.
- iii) The Company has not revalued any of its Property, Plant and Equipment during the year.
- iv) No loans and advances were granted to promoters, directors, KMPs
- v) There is no capital work-in-progress
- vi) There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- vii) The company has borrowings from banks on the basis of security of current assets but those borrowings have been declared as NPAs by the banks. Borrowings from some of the Banks were settled on OTS.
- viii) The company was not declared as a willful defaulter by any bank or financial institution.
- ix) The company did not enter into any transactions with struck off companies.



Madhucon Projects Limited

Notes forming part of Financial Statements

x) There are no charges or satisfaction yet to be registered with ROC beyond the statutory period

xi) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017,

xii) There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

xiii) Utilization of Borrowed funds and share premium:

(A) The company didn't advance or lend or invest funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) 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

(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(B) The company didn't receive any fund from any person(s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) 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

(ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

xvi) The Company has neither declared nor paid any dividend during the year.

xiv) Ratios

Sl no	Particulars	Numerator	Denominator	31st March 2024	31st March 2023	Variance
1	Current Ratio	Current assets	Current liabilities	0.219	0.162	35%
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	2.575	2.942	12%
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	1.576	0.595	165%
4	Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	(0.019)	0.008	331%
5	Trade receivables turnover ratio	Revenue	Average Trade Receivable	11.906	11.696	2%
6	Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	2.105	1.603	31%
7	Net capital turnover ratio	Revenue	Working Capital	(1.030)	(0.697)	48%
8	Inventory Turnover Ratio	Revenue	Average Inventory	717.02	303.986	136%
9	Net profit ratio	Net Profit	Revenue	(0.011)	0.005	318%
10	Return on capital employed (ROCE)	Earnings before interest and taxes	Capital Employed	(0.023)	(0.023)	4%
	Return on Investment(ROI)					
11	Unquoted	Income generated from investments	Time weighted average investments	NIL	NIL	There was no income from the investments
12	Quoted	Income generated from investments	Time weighted average investments	NIL	NIL	There was no income from the investments



Madhucon Projects Limited

Notes forming part of Financial Statements

Comments:

Current Ratio:

Current Ratio is improved due to come down of Current Liabilities due to settlement/ payment of some of the liabilities and also slight increase in the Current Assets.

Debt Service Coverage Ratio:

Significant improvement in the ratio due to increase in the revenue from operations and reduction in the liabilities by clearing long pending dues.

Return on Equity Ratio:

Reduction in the Return on Equity Ratio due to net loss incurred by the company during the current financial year.

Trade payables turnover ratio:

Improvement in the Ratio due to reduction in the Trade Payables by clearing the Trade creditor's dues.

Net capital turnover ratio:

Net Capital Turnover Ratio is improved due to increase in the Sales turnover and reduction in liabilities by clearing the dues.

Inventory turnover ratio:

Inventory Turnover Ratio is increased as result of better utilization of materials and effective management policies.

Net profit ratio:

Net profit Turnover Ratio is negative due to incurring of net loss by the company during the year

Undisclosed Income

There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

xvi) Corporate Social Responsibility

Since the company is incurring losses in current year and consecutively for preceding 2 financial years CSR is not applicable

xvii) Details of Crypto Currency or Virtual Currency

The company has neither traded nor invested in Crypto currency or Virtual Currency during the financial year

2.47 Figures for the previous year have been regrouped/re-classified to conform to the figures of the current year.

In terms of our report attached

For P.Murali & Co.
Chartered Accountants
FRN: 007257S

For and on behalf of the Board

A. Krishna Rao
Partner
Membership Number 020085
UDIN:24020085BKAUHM9560

N. Seethaiah
Managing Director
DIN-00784491

Mohammad Shafi
Jt Managing Director
DIN-07178265

J. Samba siva Rao
Director (F & A)
DIN: 09526475

Place: Hyderabad
Date: May 18, 2024

K. Venkateswarlu
Director cum CFO
DIN-09713108

D. Malla Reddy
Company Secretary
ACS: 9559



CONSOLIDATED FINANCIAL STATEMENTS

2023-2024



INDEPENDENT AUDITOR'S REPORT

To the Members of
M/s. Madhucon Projects Limited
Report on the Consolidated Ind AS Financial Statements

1. Qualified opinion

We have audited the accompanying consolidated Ind AS financial statements of **MADHUCON PROJECTS LIMITED** (hereinafter referred to as 'the Holding Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as "The Group") which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss (including the statement of other comprehensive income), the Consolidated Statement of Cash Flow, the Consolidated Statement of Changes in Equity for the year ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'Consolidated Ind AS financial statements'). The Consolidated Financial statements includes the following entities

Subsidiaries

- 1) Madhucon Infra Limited [Which includes its Subsidiaries (I to ix), mentioned below]
- 2) Madurai Tuticorin Expressways Limited (audited by other auditors)
- 3) Madhucon Mega mall Pvt Ltd
- 4) Nama Hotels Pvt Ltd
- 5) Madhucon Heights Pvt Ltd

Subsidiaries of Madhucon Infra limited

- i. Madhucon Toll Highways Ltd
- ii. TN (DK) Expressways Ltd (audited by others)
- iii. Trichy-Tanjavur Expressways Ltd (audited by others)
- iv. Barasat-Krishnagar Expressways Ltd (audited by others)
- v. Ranchi Expressways Ltd (audited by others)
- vi. Vijayawada-Machilipatnam Limited (audited by others)
- vii. Rajauli -Bakthiyapur Expressways Limited (audited by others)
- viii. Chhapra-Hajipur Expressways Limited (audited by others)
- ix. PT Madhucon Indonesia (unaudited)

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the "Basis for Qualified Opinion" section of our report, the aforesaid Consolidated 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 and other accounting principles generally accepted in India, of the consolidated state of affairs of "The Group", as at 31st March, 2024, its consolidated loss and consolidated total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

2. Basis for Qualified Opinion

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



with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us in terms of the report referred to in sub-paragraph A & B of the Basis for Qualified opinion and audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph a & b of other matters paragraph section below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements of "the Group"

We draw your attention to the following paragraphs reproduced below, included in the audit report on the financial statements of the Holding company and the subsidiaries audited by us.

A. In case of the "Holding Company", matters as reported in Basis of Qualified Opinion on the Standalone Financial Statements, are reproduced below:

- i. We refer to the carrying value of Equity Investments of Rs 1,03,662.52 lakhs held in subsidiaries/other companies and other investments of Rs 5624.18 lakhs held in subsidiaries/other companies, some of these have been incurring losses and in case of some of the subsidiaries, net worth was fully or substantially eroded / Going Concern is affected. We are unable to comment upon the carrying value of investments and other investments whether any provision for impairment in the value of Equity Investments and other investments is required; the effect of same upon the profitability could not be ascertained in the absence of fair valuation.

In the case of Madhucon Infra Limited, a subsidiary, the management basing on the valuation Reports on "Investment in Madhucon Infra Limited" concluded that the value of this Investment is Nil and has written off an amount of Rs. 30,550.68 Lakhs being 25% of the Investment held, instead of writing off complete value of investment. For the balance 75% of the Investment no provision for impairment is made in the books of account as at 31st March, 2024.

However, In the books of Madhucon Infra Limited, the share capital of Madhucon Projects Limited is continued to be shown at original value of Investment and being consolidated.

In the absence of proper justification, we are not able to ascertain the basis of such partial write off.

- ii. "The Company "has written off loan given to Madhucon Infra Limited a subsidiary amounting to Nil/Rs.4,263.07 Lakhs for the quarter ended/ Year ended 31st March, 2024 respectively, being partial amount of loan, instead of writing off the total outstanding of Rs.12,918.41 lakhs.

In the absence of proper justification, we are not able to ascertain the basis of such partial write off.

- iii. "The company has defaulted in repayment of dues to Banks and financial institutions amounting to Rs 33,369.17 lakhs and Rs 3,370.51 lakhs respectively as per books of account and the same were classified as NPA by the lenders. Interest on these loans have not been provided for the FY 2018-19 to FY 2023-24. Dues in case of some banks were settled through "One time settlement" and an amount of Rs. 12,503.97 Lakhs, being the benefit of OTS, has been accounted during the quarter ended 31st March, 2024.

Further, in case of other banks except in case of Canara bank, OTS agreements have been entered. Balance confirmation in respect of the loan from Canara Bank has not been obtained.

- iv. "The Company "has written back Trade Payables amounting to Rs. 8,103.63 Lakhs and Rs.9,542.19 lakhs for the quarter ended 31st March, 2024 and for the Year ended 31st March, 2024 respectively.

- v. "The Company "has written back Other Payables (including Interest payable) amounting to Rs 1,921.36 lakhs and Rs 2,089.20 lakhs for the quarter ended 31st March, 2024 and for the Year ended 31st March, 2024 respectively.

- vi. "The Company" has written off advances to Other Parties amounting to Nil/Rs. 393.95 Lakhs for the quarter ended/ Year ended 31st March, 2024.

- vii. The company is yet to transfer unpaid dividend of an amount aggregating to Rs. 3.73 Lakhs relating to Financial Years 2009-10 to 2010-11 from unpaid dividend account to Investor Education and Protection Fund (IEPF).

- viii. Undisputed Statutory dues in case of following are outstanding:

S.No	Name of the Status	Nature of Due	Period	Rs. in Lakhs
1	The Income Tax Act, 1961	Dividend Distribution Tax & Interest on it	2011-12 to 2016-17	139.93
2	The Employees Provident funds and Miscellaneous provision act 1952	Provident fund	2013-14 to 2020-21	70.24
3	Works Contract Tax	Works Contract Tax	2014-15 to 2017-18	396.86

ix. In view of losses incurred by "The company" and in the absence of prior approval from the lender banks and financial Institutions, managerial remuneration of Rs. 138.68 Lakhs paid by the company during the year is in excess of the limits specified under section 197 read with schedule V of Companies Act,2013.

x.The Turnover, Output GST and Input GST credits as per the books of account are subject to reconciliation with the GST returns filed.

xi. Internal Audit has not been conducted for the period 1st April 2023 to 31st March 2024.

xii. The Company has not produced Title Deeds in respect of certain immovable properties (lands) held.

xiii. SREI Equipment Finance Limited filed to "NCLT" for restoration of application of Corporate Insolvency Resolution process (CRIP) against "The Company", which has been admitted vide its order dated 08.12.23.

Subsequently, "the Company" filed an appeal with NCLAT and the impugned order dated 08.12.2023 of NCLT was set aside and remanded back to the NCLT for fresh review vide order dated 12.12.2023. Later on, the financial creditor and "the Company" have initiated the process of settlement on 18.01.2024 by restructuring the existing loan and submitted a joint memo stating the same to "The Hon'ble National Company Law Tribunal" (NCLT) on 05.02.2024.

SREI Equipment Finance Limited has approved for Restructuring of existing loan dues for a final settlement of Rs. 4,952.00 Lakhs, vide its letter dated 02.02.2024. As per agreed terms & conditions, "the company" has paid upfront payment of 20% of Restructured loan and one instalment, total amounting to Rs. 1685.65 Lakhs as of 31st March, 2024.

On 28.03.2024 the SREI Equipment Finance Limited filed withdrawal memo seeking leave of this "NCLT" to withdraw the company petition. NCLT by an order dated 28.03.2024 allowed the company petition stands disposed of as withdrawn.

xiv. In case of "Ranchi Expressways Ltd (REL)", a step-down subsidiary of the company, CBI has filed FIR against REL, its Promoters and Directors on 12-03-2019 under Prevention of Corruption Act and Indian Penal Code. Subsequently, the Enforcement Directorate has raided the premises of "the company" on 11-06-2021 and the investigation is still under progress.

xv. As per the press release dated 02-07-2022 and 17-10-2022 The Directorate of Enforcement has provisionally attached 105 immovable properties and 28 other assets worth Rs.96.21 Crore and Rs.80.65 Crore respectively belonging to Madhucon Group of companies, its directors and promoters which included the properties of Madhucon Projects Limited and group companies in a case against M/s Ranchi Expressway Ltd, under the provisions of PMLA, 2002.

xvi. In case of Ranchi Expressways Ltd (REL) a step-down subsidiary of Madhucon Projects Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 22.12.2023 admitted the Corporate Insolvency resolution process (CRIP), for a petition filed by State Bank of India. Ranchi Expressways Ltd (REL) has made an appeal to "The Hon'ble NCLAT" and "The Hon'ble NCLAT" has deferred the impugned order given by NCLT and posted hearing on 07.06.2024.

Madhucon Projects Limited has made an Investment of Rs.1.40 lakhs and has Trade Receivables of Rs.8,073.69 lakhs in the above step-down subsidiary for which provision has not been made.

xvii. In case of M/s. Trichy-Thanjavur Expressways Limited a step-down subsidiary of Madhucon Projects Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 22.08.2023 admitted the Corporate Insolvency resolution process (CRIP), against which "The Hon'ble NCLAT" has passed an order and directed the COC to defer its proceedings till next hearing on 18.06.2024

Madhucon Projects Limited has made an Investment of Rs.10 lakhs and advances of Rs. 42.82 lakhs in the above step-down subsidiary for which provision has not been made.

- xviii. In case of Barasat – Krishnagar Expressways Limited a step-down subsidiary of Madhucon Projects Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 28.11.2023 admitted the Corporate Insolvency resolution process (CRIP), against which "The Hon'ble NCLAT has passed an order and directed the COC to defer its proceedings till next hearing on 26.06.2024.

Madhucon Projects Limited has made an Investment of Rs.1.40 lakhs in the above step-down subsidiary for which provision has not been made.

- xix. In the absence of confirmation of some of the Trade payables, Trade Receivables and various advances/loans, we are unable to comment on the extent to which such balances are payable/recoverable. Some of the payables to parties are shown by netting off with the other receivables.
- xx. Balance confirmation of current accounts, which have become Dormant, are not obtained in case of Bank Branches at various project sites.

Matters Relating to Going Concern

"The Company's" current liabilities exceeded current assets amounting to Rs. 92,331.50 Lakhs and "The Company" has defaulted in payment of dues to banks and financial institution. All these events indicate a material uncertainty existing that may cast a significant doubt on "The Company's" ability to continue as a going concern. However, the management believes the use of going concern assumption on the preparation of the financial statements of "the company" is still appropriate in view of settlement of dues under OTS in case of some banks and approval for restructure of loan for settlement of dues by the financial institution and its continuing discussions with its other lenders to obtain approval for and an appropriate debt resolution plan and also, that "The company" will continue to be in operation in the foreseeable future.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

We have determined the matters described below to be the key audit matters to be communicated in our report

The carrying value of investments held in and unsecured loans and advances given by the company to its subsidiaries, which have been incurring losses and in case of some of these companies, net worth was fully or substantially eroded.

How the matter was addressed in our audit:

We have examined the key controls in place for investments made in subsidiaries. We assessed the net worth of subsidiaries on the basis of latest available Ind AS financial statements. It is concluded that, we are unable to comment upon the carrying value of Equity investments and other investments, as to whether any provision for impairment in investments is required. In case of a subsidiary, Madhucon Infrastructure Limited, the company has obtained a valuation report, based on which 25% of the investment is written off instead of writing off complete value of investment. For the balance 75% of the Investment no provision for impairment is made in the books of account as at 31st March, 2024.

"The Company" has defaulted in repayment of dues to Banks and financial institutions All the loans outstanding were classified as NPA by the Banks and Financial Institutions. Interest on these loans have not been provided for the financial years 2018-19 to 2022-23.

How the matter was addressed in our audit:

The company has settled the dues in case of SBI, IDBI Bank and Bank of India through OTS and entries for the same has been passed in the books of account accordingly.

In case of other banks*, except Canara bank, the company has entered into OTS.

*Other banks includes ICICI Bank, Punjab National Bank and Kotak Mahindra Bank.

B. In case of the Subsidiaries, matters as reported in their respective Basis for Qualified Opinion Para on financials are as reproduced below:

a. Madhucon Infra limited

- i. The Company's Current Liabilities exceeded Current Assets by Rs. 73,083.29 Lakhs and net worth is fully eroded which indicates a material uncertainty that cast a significant doubt on the Company's ability to continue as a going concern.
- ii. We refer to the carrying value of investments of Rs 9,406.97 lakhs held in subsidiaries/other companies and other investments (Unsecured Loans and advances) of Rs 45,477.81 lakhs given by the company to its subsidiaries/other companies, Some of these have been incurring losses and in case of some of the subsidiaries, net worth was fully or substantially eroded / Going Concern is affected. We are unable to comment upon the carrying value of investments and other investments (Unsecured Loans and advances); whether any provision for impairment in the value of investments and other investments (Unsecured Loans and advances) is required; the effect of same upon the profitability could not be ascertained in the absence of fair valuation.
- iii. Has made a provision of Rs. 1,957.96 lakhs and Rs.7963.30 lakhs for the quarter ended 31st March, 2024 and for the Year ended 31st March, 2024 respectively towards impairment on investment in equity and other investments made in its subsidiaries. In the absence of fair valuation of the same, we are unable to comment on the adequacy of the provisions made.
- iv. Has written back loan from Madhucon Projects Limited amounting to Nil for the quarter ended 31st March, 2024 and Rs.4,263.07 Lakhs for the Year ended 31st March, 2024 respectively, being partial amount of loan, instead of writing off the total outstanding of Rs.12,918.41 lakhs.

In the absence of proper justification, we are not able to ascertain the basis of such write back.
- v. Has written back other Payables amounting to Rs. 0.55 lakhs and Rs. 1.67 Lakhs for the quarter ended 31st March, 2024 and for the Year ended 31st March, 2024 respectively.
- vi. Has written off Property, Plant and Equipment amounting to Nil and Rs 5.77 lakhs for the quarter ended 31st March, 2024 and for the Year ended 31st March, 2024 respectively.
- vii. Has written off Investment in Madhucon Toll Highways Limited amounting to Nil and Rs 5,126.20 lakhs for the quarter ended 31st March, 2024 and for the Year ended 31st March, 2024 respectively.
- viii. Internal Audit has not been conducted for the period from 1st April,2023 to 31st March, 2024.
- ix. In case of M/s. Trichy-Thanjavur Expressways Limited a subsidiary of Madhucon Infra Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 22.08.2023 admitted the Corporate Insolvency resolution process (CRIP), against which "The Hon'ble NCLAT has passed an order and directed the COC to defer its proceedings till next hearing on 18.06.2024

Madhucon Infra Limited has given an advance of Rs. 5,000.35 Lakhs to the above subsidiary. As of the date, Impairment Provision of Rs. 1,492.61 Lakhs is only made against the said advance in the books of accounts.
- x. In case of Ranchi Expressways Ltd (REL) a subsidiary of Madhucon Infra Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 22.12.2023 admitted the Corporate Insolvency resolution process (CRIP), for a petition filed by State Bank of India. Ranchi Expressways Ltd (REL) has made an appeal to "The Hon'ble NCLAT" and "The Hon'ble NCLAT" has deferred the impugned order given by NCLT and posted hearing on 07.06.2024.

Madhucon Infra Limited has given an advance of Rs. 26,668.16 Lakhs to the above subsidiary. As of the date, Impairment Provision of Rs. 8,000.45 Lakhs is only made against the said advance in the books of accounts.

Madhucon Infra Limited has an Investment of Rs. 1.60 lakhs in the above subsidiary. As of the date, Impairment Provision of Rs. 0.48 Lakhs is only made against the said advance in the books of accounts.
- xi. In case of Barasat – Krishnagar Expressways Limited a subsidiary of Madhucon Infra Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 28.11.2023 admitted the Corporate Insolvency resolution process (CRIP), against which "The Hon'ble NCLAT has passed an order and directed the COC to defer its proceedings till next hearing on 26.06.2024.



Madhucon Infra Limited has given an advance of Rs. 7,459.50 Lakhs to the above subsidiary. As of the date, Impairment Provision of Rs. 2,237.85 Lakhs is only made against the said advance in the books of accounts.

Madhucon Infra Limited has an Investment of Rs. 1.60 lakhs in the above subsidiary. As of the date, Impairment Provision of Rs. 0.48 Lakhs is only made against the said advance in the books of accounts.

- xii. The IFCI Ltd had approved one-time settlement (OTS) of its outstanding dues of Rs.190.96 Crores vide its letters dated 24th February,2020. In terms of settlement, OTS amount of Rs.70 Crores was to be paid by the company in three instalments. However, the company made total payment of 15.5 crores up to 31st March,2023 and has represented to IFCI to reduce the OTS amount from Rs 70 Crores to Rs 51 Crores.

Subsequently, IFCI Ltd had approved full and final settlement of dues of Rs. 51 crores to be paid within 9 months vide its letter dated 19th June, 2023. During the year Company has defaulted in payment of these dues as per terms and conditions. Out of Rs. 51 crores an amount of Rs. 29.5 crore is only paid during the year.

Interest has not been provided on the amounts payable to IFCI for the current FY 2023-24 and the same is not quantified by the management.

- xiii. Balances as at 31st March,2024 in respect of certain Debtors and Creditors in case of some of the subsidiaries are subject to Confirmation and Reconciliation.

- xiv. The Commercial Tax Officer, Circle -1, Nellore issued an VAT penalty order/notice dated 30.04.2021 to Madhucon Infra Limited in the case of contract awarded with Simhapuri energy limited in FY 2014-15. Madhucon Infra Limited has filed a Writ Petition dated 04.11.2023 at "The Hon'ble High Court of Andhra Pradesh".

- xv. The Company has not obtained MSME status from trade payables during the year ended and we are unable to comment upon the same.

Matters Relating to Going Concern

The company, has accumulated losses and its, current liabilities exceeded current assets and the company has defaulted in respect of instalments and interest on loans and debentures, affecting the company's ability to continue as a going concern. However, the management believes the use of going concern assumption on the preparation of the Ind AS financial statements of "the company" is still appropriate as company is in discussions with its lenders to obtain approval for and implementation of an appropriate debt resolution plan and will continue to be in operation in the foreseeable future.

Emphasis of Matter

The company has not appointed company secretary.
Our opinion is not modified in respect of above matter.

b. Madhucon Mega Mall Private Limited

Matters Relating to Going Concern

The accumulated losses of "the Company", have completely eroded the Net worth of the company. The Current liabilities of the company exceeded Current Assets by Rs. 177.74 thousand. As such, the eroded Net worth significantly affects the company's ability to continue as a going concern unless it raises capital in order to fund the operations. The accounts of the Company have been prepared on the basis of going concern assumption.

c. Madhucon Heights Private Limited

- i. In absence of valuation report of capital work in progress, the realizable value is not ascertainable. However as per the management representation, the case in connection therewith is still pending in the Hon'ble High court of Telangana.



d. Nama Hotels Private Limited

In absence of Fair valuation report of capital work in progress, the realizable value is not ascertainable.

e. Madhucon Toll Highways Limited

- i. We refer to the carrying value of investments of Rs.19,617.26 Lakhs held in subsidiaries/other companies and other investments (Unsecured Loans and advances) of Rs. 7,636.19 Lakhs given by the company to its subsidiaries/other companies, some of these have been incurring losses and in case of some of the subsidiaries, net worth was fully or substantially eroded / Going Concern is affected. The Company has made provision for impairment on the basis of internal evaluation. But, in the absence of fair value, we cannot ascertain whether the impairment made is adequate.
- ii. In case of M/s. Trichy-Thanjavur Expressways Limited a co - company of Madhucon Toll Highways Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 22.08.2023 admitted the Corporate Insolvency resolution process (CRIP), against which "The Hon'ble NCLAT has passed an order and directed the COC to defer its proceedings till next hearing on 18.06.2024.

Madhucon Toll Highways Limited has an investment of Rs. 1,532.00 lakhs in Trichy-Thanjavur Expressways Limited (As of the date, Impairment Provision of Rs. 306.40 Lakhs is only made against the said advance in the books of accounts).

- iii. In case of Ranchi Expressways Ltd (REL) a co - company of Madhucon Toll Highways Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 22.12.2023 admitted the Corporate Insolvency resolution process (CRIP), for a petition filed by State Bank of India. Ranchi Expressways Ltd (REL) has made an appeal to "The Hon'ble NCLAT" and "The Hon'ble NCLAT" has deferred the impugned order given by NCLT and posted hearing on 07.06.2024.

Madhucon Toll Highways Limited has given an advance of Rs. 2,895.23 Lakhs in Ranchi Expressways Ltd (As of the date, Impairment Provision of Rs. 579.05 Lakhs is only made against the said advance in the books of accounts).

Madhucon Toll Highways Limited has an investment of Rs. 8,075.00 lakhs in Ranchi Expressways Ltd (As of the date, Impairment Provision of Rs. 1,615.00 Lakhs is only made against the said advance in the books of accounts)

- iv. In case of Barasat – Krishnagar Expressways Limited a co - company of Madhucon Toll Highways Limited, "The Hon'ble National Company Law Tribunal" (NCLT) by an order dated 28.11.2023 admitted the Corporate Insolvency resolution process (CRIP), against which "The Hon'ble NCLAT has passed an order and directed the COC to defer its proceedings till next hearing on 26.06.2024.

Madhucon Toll Highways Limited has made advances of Rs. 1,700.00 lakhs in Barasat – Krishnagar Expressways Limited (As of the date, Impairment Provision of Rs. 340.00 Lakhs is only made against the said advance in the books of accounts)

Madhucon Toll Highways Limited has an investment of Rs. 4,335.00 lakhs in Barasat – Krishnagar Expressways Limited (As of the date, Impairment Provision of Rs. 867.00 Lakhs is only made against the said advance in the books of accounts)

Material uncertainty related to going concern of "The Group"

"The Group's" current liabilities exceeded current assets and "The Holding Company" has defaulted in payment of dues to banks and financial institution and there are adverse observations in the Audit Reports of "The Holding Company" and Subsidiaries/ Sub-Subsidiaries. All these indicate a material uncertainty existing that may cast a significant doubt on "The Group's" ability to continue as a going concern. However, the management believes the use of going concern assumption on the preparation of the Consolidated Ind AS financial statements of "The Group" is still appropriate in view of settlement of dues under OTS in case of some banks and having received approvals for restructure of loan for settlement of dues by the financial institution and its continuing discussions with its other lenders to obtain approval for and an appropriate debt resolution plan by the "The Holding Company" and also, that "The Group" will continue to be in operation in the foreseeable future.

3. Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance including consolidated other comprehensive income, consolidated changes in equity and consolidated cash flows of "The Group" in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

The respective Board of Directors of the companies included in "The Group" are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of "The Group" and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the directors of the holding company as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in "The Group" are responsible for assessing the ability of "The Group" to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate "The Group" or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in "The Group" are responsible for overseeing the financial reporting process of "The Group".

4. Auditor's Responsibility for the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- i. Identify and assess the risks of material misstatement of the consolidated 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.
- ii. Obtain an understanding of internal financial controls relevant to the audit in order to design audit Procedures that is appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the Consolidated 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 Group" to cease to continue as a going concern.

- v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within "The Group" to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

Materiality is the magnitude of misstatements in the Consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind AS 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 statements of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

5. Other Matter Paragraph:

- a) We did not audit the financial statements and other financial information of one subsidiary and, seven step-down subsidiaries included in the statement, whose financial statements together comprise total assets, before elimination, of Rs. 3,44,273.02 Lakhs as at March 31, 2024, total Revenue of Rs. 15,641.21 Lakhs and Rs. 21,558.21 Lakhs and Total Comprehensive loss of Rs. 425.27 Lakhs and Rs. 4,222.78 Lakhs for the quarter ended 31st March 2024 and for the period from 1st April, 2023 to 31st March, 2024 respectively. The financial statements and other financial information of these subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management, and our audit opinion on the consolidated financial results, to the extent they have been derived from such financial statement is solely based on the reports of the other auditors.
- b) The financial statements and other financial information of PT Madhucon Indonesia, a Foreign stepdown subsidiary of the company included in the statement, whose financial statements comprise total assets, before elimination, of Rs. 27,560.47 Lakhs as at March 31, 2024, total Revenue of Nil and Nil and Total Comprehensive loss of Rs. 5.58 Lakhs and 17.70 Lakhs for the quarter ended 31st March 2024 and for the period from 1st April, 2023 to 31st March, 2024. The Financial statements / financial information of this company are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this Foreign step down subsidiary, and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far it relates to the aforesaid stepdown subsidiary, is based solely on such unaudited financial

statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to "The Group".

Our opinion on the statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

The "Opinion"/" Emphasis of Matter Paragraph"/" Report on Other Legal and Regulatory Requirements" in such audit reports are reproduce below:

a) Barasat -Krishnagar Expressways Limited ('BKEL')

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

M/s State Bank of India has filed petition U/s 7 of IBC 2016, against the Company at the Hon'ble NCLT, Hyderabad Bench. The Hon'ble NCLT, Hyderabad Bench passed the order by admitting the petition and appointed Interim Resolution Professional. In this regard Company has approached the Hon'ble NCLAT, seeking relief and the Hon'ble NCLAT has given stay on COC proceedings till 26-06-2024.

The above conditions associated with the outcome of CIRP proceedings indicate the existence of material uncertainties which casted significant doubt on the Company's abilities to continue as going concern.

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

However, in view of the above we are unable to obtain sufficient appropriate audit evidence to comment on the adjustment, if any, that may be required to be made and the consequential impact thereof on the accompanying financial statements.

Emphasis of Matter

- i. We draw attention to note no. 1 in the financial statements 'The construction work is delayed due to pending approvals and right of way to be provided by NHAI. The Company had issued notice for termination of the project to NHAI on 31st December, 2015. The company and NHAI entered into a Supplementary Agreement to the 'Concession Agreement dated 20th June, 2011' on 2nd May, 2016 for inclusion of the clause of 'Society for Affordable Redressal of Disputes' (SAROD) Committee for arbitration. NHAI had also issued notice for terminations of the project vide its letter dated 3rd May, 2016 and the company had replied that the notice is not valid. Both Company and NHAI appointed arbitrators. The Arbitration proceeding are in progress with SAROD.
- ii. We draw our attention to note no. 2.10 where the borrowings from secured lenders have been declared as non-performing assets by the lender. Hence, interest has not been recognized for the year on both long term and short-term portions of loans. The balances lying in the Bank current accounts are subject to external confirmation.

- iii. We draw our attention to note no. 5 the cost incurred on the project till the closure of the financials dated 31-03-2024 is Rs. 5,82,52,97,106/-. The amount has been accounted as 'NHA Claim Receivables' under the head 'Other Financial Assets' which is in contravention to Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets), as the claims are in the nature of contingent asset. This has resulted in over-statement of other financial assets and understatement of cumulative loss by the same amount in the Statement of Profit & Loss.
- iv. We draw our attention to note no. 26(a), as per the arbitral tribunal award dated 05-05-2022, the company is liable to pay the awarded claim to EPC contractor M/s Madhucon Projects Limited amounting Rs.396.06 crores. As this liability, which has been raised due to tribunal award has not been challenged by the company in any forum till date. As a result, the company needs to record the same as Liability in books of accounts.
- v. Receivables and payables are subject to external confirmation by the parties.
- vi. Company has failed to adhere to the regulations stated in section 203 of Companies Act 2013 regarding the appointment of Key Management Personnel, as well as provisions of 177 and 178 concerning the audit committee and nomination remuneration committee, section 138 concerning Internal Audit, appointment of company secretary and section 149 concerning to appointment of Independent Director.

Our opinion is not modified in respect of these matters.

CARO Report containing the qualifications or adverse remarks

- The company has failed to adhere to the provisions of Section 185 of Companies Act, 2013, in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made, guarantee or securities given.
- The Company is irregular in depositing with appropriate authorities undisputed statutory dues including Income-tax, Goods and Service Tax and other statutory dues applicable to it.

b)Rajauli-Bakhtiyarpur Expressways Limited ('RBEL')

Material Uncertainty related to Going Concern

We draw attention to Note no 25 of the standalone financial statements, which indicates that the project awarded to **M/s Rajauli - Bakhtiyarpur Expressways Limited** by Bihar State Road Development Corporation Limited (BSRDC) with a Concession Period of 30 years which included a construction period of 30 months has been foreclosed with mutual consent due to the non-handling over of Right Of Way (ROW) as per terms of the Contract by BSRDC. These events or conditions, indicate that **a material uncertainty exists that casted a significant doubt on the Company's ability to continue as a going concern**. Based on our audit procedures and evaluation of the entity's financial statements and other relevant information, we have concluded that the entity is not a going concern, the financial statements have been drawn accordingly. Our conclusion is based on several factors, including the entity's financial position, cash flows from operations, and its ability to meet its obligations as they come due.

Emphasis of Matter

- i. We draw our attention to Note 4 where the cost incurred on the project till the closure of the financials dated 31-03-2024 is Rs. 8,19,97,531/-. The amount has been accounted as 'Claims Receivable from BSRDC against Expenditure incurred on the project' under the head 'Other Financial Assets' which is in contravention to Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets), as the claims are in the nature of contingent asset. This has resulted in over-statement of other financial assets and understatement of cumulative loss by the same amount in the Statement of Profit & Loss. Further, the amount receivable from BSRDC has not yet been ratified and has not been reconciled with that of BSRDC's books.
- ii. We draw attention to Note 27 to the Standalone financial statements, the company has approached BSRDC by invoking arbitral clause to initiate arbitration proceedings for the expenses incurred for the project. As informed and explained to us, statement of claims was initially filed on 04-03-2020 with BSRDC. The arbitration proceedings are currently in progress.
- iii. Bank balances, receivables and payables are subject to external confirmation.

Our opinion is not modified in respect of the above-mentioned matters.

c)Madurai Tuticorin Expressways Limited (MTEL)

Material Uncertainty related to Going Concern

We draw attention to **Note no. 49** of the standalone financial statements, which states that the project awarded to M/s Madurai-Tuticorin Expressways Limited has been terminated by NHA1 on 17-03-2023 though company has commenced Periodic Maintenance works and its obligations. These events or conditions, indicate that a **material uncertainty exists that casted significant doubt on the Company's ability to continue as a going concern**. Based on our audit procedures and evaluation of the entity's financial statements and other relevant information, we have concluded that the entity is not a going concern, the financial statements have been drawn accordingly. Our conclusion is based on several factors, including the entity's financial position, cash flows from operations, and its ability to meet its obligations as they come due.

Emphasis of Matter

- i. As detailed in Note 48 to the Standalone financial statements, the company has submitted claim to NHA1 for the works already completed. The company has initiated arbitration by invoking arbitral clause and the arbitration proceedings commenced.
- ii. As detailed in Note 2.09 to the Standalone financial statements, company has taken loans from banks and financial institutions. Those loans became NPAs. Hence, interest has not been recognized for the year on both long term and short-term portions of loans. The balances lying in the Bank current accounts are subject to external confirmation.
- iii. As detailed in Note 52 to the Standalone financial statements, since the contract has been terminated in Financial Year 2022-23:
 - Fixed Assets and Intangible Assets have been completely written off;
 - Provisions created for Operations and Maintenance have been reversed;
 - Capital grant Income has been recognized in full.
 As a result, there is a significant impact on the financial statements and its ratios.
- iv. Receivables and payables are subject to external confirmation by the parties.
- v. As mentioned in Note 51, Company has failed to adhere to the regulations stated in section 203 of Companies Act 2013 regarding the appointment of Key Management Personnel, as well as provisions of 177 concerning the audit committee, section 178 concerning in to nomination and remuneration committee, section 138 concerning internal audit, Section 148 concerning maintenance of cost records and cost audit, appointment of company secretary and section 149 concerning in to appointment of Independent Director and women Director.
- vi. The adequacies of the IND AS adjustments as per applicable IND AS are not corroborated and is subject to other Ind AS adjustments carried out during the year.

Our opinion is not modified in respect of the above-mentioned matters.

CARO report containing the qualifications or adverse remarks

The company has failed to adhere to the provisions of Section 185 of Companies Act, 2013, in respect of loans to directors including entities in which they are interested and given. in respect of loans and advances given, investments made, guarantee or securities

d)Vijayawada-Machilipatnam Expressways Limited

Material Uncertainties Relating to Going Concern

Vijayawada-Machilipatnam Expressways Limited was formed for Design, Build, Finance, Operate and Transfer of 4-laning of Vijayawada-Machilipatnam Section of NH-9 from Km. 0.000 to Km. 63.800 in the state of Andhra Pradesh under NHDP Phase III on Toll basis and to carry on the business of O&M (operation & Maintenance) contracts relating to the road works. NHA1 has not handed over the ROW and the project was terminated.

These events or conditions indicate that a **material uncertainty exists that casted a significant doubt on the Company's ability to continue as a going concern**. Based on several factors, including the entity's financial position, cash flows from operations, and its ability to meet its obligations as they come due.

Emphasis of Matter

i. Bank balances, receivables and payables are subject to external confirmation by the parties.

CARO report containing the qualifications or adverse remarks

In our opinion and according to the information and explanations given to us, the company has failed to adhere to the provisions of Section 185 of Companies Act, 2013, in respect of loan to directors including entities in which they are interested and in respect of loans and advances given, investments made, guarantee or securities given.

e) TN (DK) Expressways Limited

Emphasis of Matter

- i. As detailed in Note 1 to the Standalone financial statements, the company has submitted claim to NHAI for the works already completed. The company has initiated arbitration by invoking arbitral clause and the arbitration proceedings commenced. The arbitration is currently in progress.
- ii. As detailed in Note 2.09, TN (DK) Expressways Limited (TNDK) has taken loans from banks and financial institutions. Those loans became NPAs. Hence, interest has not been recognized for the year on both long term and short-term portions of loans. The balances lying in the Bank current accounts are subject to external confirmation.
- iii. Receivables and payables including GST Account are subject to confirmation by the parties and share of gross collections to be deposited with NHAI has not been provided.
- iv. As mentioned in Note 52 Company has failed to adhere to the regulations stated in section 203 of Companies Act 2013 regarding the appointment of Key Management Personnel, section 177 concerning the audit committee, section 178 concerning to nomination and remuneration committee, appointment of company secretary, section 149 concerning in to appointment of Independent Director, Section 138 concerning Internal Audit and Section 148 concerning maintenance of cost records.
- v. Litigations: NCLT Order has been adjourned - Details of the same to be shared by the client.
- vi. As detailed in Note 50 to the Standalone financial statements, the company has failed to adhere to the provisions of Payment of Gratuity Act 1972.
- vii. The adequacies of the IND AS adjustments as per applicable IND AS are not corroborated and also are subject to other Ind AS adjustments carried out during the year.

Our opinion is not modified in respect of the above-mentioned matters.

f) Trichy-Thanjavur Expressways Limited

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

M/s IDBI Bank Limited has filed petition U/s 7 of IBC 2016, against the Company at the Hon'ble NCLT,

Hyderabad Bench - 1. The Hon'ble NCLT, Hyderabad Bench – 1 passed the order by admitting the petition and appointed Interim Resolution Professional. In this regard Company has approached the Hon'ble NCLAT, Chennai seeking relief and the Hon'ble NCLAT has given stay on proceedings till 06-03-2024.

The above conditions associated with the outcome of CIRP proceedings indicate the existence of **material uncertainties which may cast significant doubt on the Company's abilities to continue as going concern.**

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

However, in view of the above we are unable to obtain sufficient appropriate audit evidence to comment on the adjustment, if any, that may be required to be made and the consequential impact thereof on the accompanying financial statements for the year ended March 2024.

Uncertainties relating to Going Concern

Trichy - Thanjavur Expressways Limited was incorporated under the Companies Act, 1956, on 13th April, 2006 as a Special Purpose Vehicle of Madhucon Projects Limited for execution of four lanes Trichy - Thanjavur section road Project on NH-67 in the state of Tamil Nādu on Build, Operate and Transfer (BOT) basis. Due to delays in undertaking periodic maintenance works NHA terminated the project on 17-03-2023 through issue of termination notice.

Based on our audit procedures and evaluation of the entity's financial statements and other relevant information, we have concluded that the entity is not a going concern, the financial statements have been drawn accordingly. Our conclusion is based on several factors, including the entity's financial position, cash flows from operations, and its ability to meet its obligations as they come due.

Emphasis of Matter

- i. As detailed in Note 1 to the Standalone financial statements, the company has submitted claim to NHA for the works already completed. The company has initiated arbitration by invoking arbitral clause and the arbitration proceedings commenced. The status of the arbitration is currently in progress.
- ii. As detailed in Note 2.09, Trichy-Thanjavur Expressways Limited (TTEL) has taken loans from banks and financial institutions. Those loans became NPAs. Hence, interest has not been recognized for the year on both long term and short-term portions of loans. The balances lying in the Bank current accounts are subject to external confirmation.
- iii. As detailed in Note 52, Since the contract has been terminated on 17-03-2023:
 - Fixed Assets and Intangible Assets have been completely written off;
 - Provisions created for operating and maintenance (O&M) expenses have been reversed;
 - Capital grant income has been recognized in full.

As a result, there is a significant impact on the company's financial statements and its ratios.

- iv. Receivables and payables are subject to external confirmation by parties.
- v. As detailed in Note 51, Company has failed to adhere to the regulations stated in section 203 of the Companies Act 2013 regarding the appointment of Key Management Personnel, as well as provisions of 177 and 178 concerning the audit committee and nomination and remuneration committee, section 138 concerning internal audit, section 148 concerning maintenance of cost records, appointment of company secretary and section 149 concerning in to appointment of Independent Director.

vi. The adequacies of the IND AS adjustments as per applicable IND AS are not corroborated and also are subject to other Ind AS adjustments carried out during the year.

Our opinion is not modified in respect of the above-mentioned matters.

g) Chhapra-Hajipur Expressways Limited

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2024, the loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. Chhapra-Hajipur Expressways Limited has been incorporated on 2nd day of June 2010 as Special Purpose Vehicle for design, build, operate, Finance and Transfer of 4 laning of Chhapra-Hajipur section of NH-19 from KM 143.200 to Km 207.200 in the state of Bihar on annuity basis for a concession period of 15 years (2.5years of construction period and 12.5 years of operating period).

This contract was awarded by National Highway Authority of India (NHAI). The company shall hand over project to the NHAI on expiry of concession period. The Concession Agreement, on execution, will entitle the company to take a fixed sum of annuity every 6 months, in arrears, starting from the date of commencement of commercial operations (COD) from NHAI. However, the company has not commenced the commercial operations till the date of balance sheet.

In this scenario, the management must recognise the amount receivable form NHAI as per IND AS 115 "Appendix D - Service Concession Arrangements"

As per Ind AS 109 interest must be calculated using the effective interest method which is to be recognised in profit or loss.

With reference to notes to accounts stated in the financial statements 3, and the above stated accounting measurement as per IND AS, we differ our opinion, as the company has not complied with respective IND AS for arriving at the amount stated as "Project cost" in Non-current Assets amounting Rs. 1,16,847.60 Lakhs for FY 2023-24 and Rs.1,03,683.77 Lakhs for FY 2022-23.

2. The company has not recognized revenue of Rs. 79 lakhs which is in violation of IND AS 115.

3. With reference to notes to accounts stated in the financial statements 17 comprising of Borrowing Cost Rs. 2301.46 lakhs, the company has failed to deduct TDS under Section 194A.

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

However, because of the matters described in the above paragraphs, we were unable to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these Financial Statements.



Emphasis of Matter

- i. We draw attention to Note 36.12 to the Standalone financial statements, loans taken from banks and financial institutions have become NPAs. Hence, interest has not been recognized for the year on both long term and short-term portions of loans except NHAI loan. The balances lying in the Bank current accounts are subject to external confirmation.
- ii. Receivables and payables are subject to confirmation by the parties.
- iii. As mentioned in Note 36.21, Company has failed to adhere to the regulations stated in section 203 of Companies Act 2013 regarding the appointment of Key Management Personnel, as well as provisions of 177 and 178 concerning the audit committee and nomination and remuneration committee, appointment of company secretary, section 138 concerning Internal Audit and section 149 concerning in to appointment of Independent Director and Women Director.

Our opinion is not modified in respect of the above-mentioned matters.

h) Ranchi Expressways Limited

Basis for Qualified Opinion

- i. No Internal audit was conducted for the financial year as applicable under section 138 of the Companies Act, 2013 and relevant rules made thereunder.
- ii. The Company has not complied with the provisions of Indian Accounting Standard Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) Claims being Contingent asset in nature. This has resulted in over-statement of Current Assets by Rs. 1,33,794 Lakhs and understatement of Cumulative loss by the same amount.
- iii. Note 14 to the Financial Statements which describes the Outstanding balances of loans and interests thereon from Banks or financial institutions for which no Confirmations were received from banks.
- iv. The Company has defaulted on payment of Statutory Dues (PF & Professional tax), which was due and pending for more than 6 months.
- v. The company has not been complying with Chapter XVII-B of Income tax related to deposit of TDS deducted with the income tax authorities.
- vi. The company had not deposited works contract tax amounts to Rs.20.74 crores with the government authority.
- vii. During the year, South Indian Bank came forward for one time settlement and company paid amount of Rs. 5.68 Cr as last instalment on 26.06.2023 in full and final settlement. Company had taken NOC from the South Indian Bank. We have not received any confirmation Certificate of bifurcation of Principal and Interest amount from the South Indian Bank. We cannot be able to certify the interest claim of Rs.8.05 Cr with the NHAI Claim related to South Indian Bank.

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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

However, because of the matters described in the above paragraphs, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Emphasis of matters:

We draw your attention to the following matters in the Notes to the financial statements:

- i) Ranchi Expressways Limited was incorporated under the Companies Act, 1956, on 29th Day of March 2011 as a Special Purpose Vehicle for Design, Build, Finance, Operate and Transfer (DBFOT) of Four Laning of Ranchi-Rargaon-Jamshedpur Section of NH-33 from Km. 114.000 to Km. 277.500 in the state of

Jharkhand on DBFOT (Annuity) basis for a concession period of 15 years. This contract was awarded by National Highway Authority of India. The Company shall hand over the Project Highway to NHAI on expiry of the Concession Period. Note- 1 to the financial statements which describe the suspension of rights of concessionaire pursuant to Article 36 of the Concessionaire Agreement with NHAI.

- ii) The company has achieved physical progress of 50.24% and about 10% is in WIP and approached NHAI for One Time Fund Infusion (OTFI) for completion of the remaining stretch. NHAI initially sanctioned an amount of Rs.223 Crs as One Time Fund Infusion and subsequently NHAI has gone back by cancelling the already sanction OTFI amount of Rs.223 Crs. Lenders and the company have preferred One Time Settlement (OTS) with NHAI for the works already completed.
- iii) While negotiations are going on for OTS proposal, NHAI has terminated the Concession Agreement on 30/01/2019 without following the termination procedure laid down in the Concession Agreement and called for tenders from public to complete the balance work on EPC basis. Since the project got terminated, Lenders are seeking for One Time Settlement. Company and Lenders agreed and requested the NHAI to refer the matter to Conciliation Committee of Independent Engineers.
- iv) The NHAI had given its consent for referring the matter to CCIE vide its letter dated 18-04-2019. The company has submitted the claim to NHAI. The proceedings of CCIE commenced on 25-09-2019. CCIE vide their order dated 10-08-2020 informed that Both parties, despite their attempts at reaching an amicable settlement of their disputes through conciliation before this committee, have not been successful. The committee hereby records the failure and closure of the conciliation proceedings on this matter. The company has initiated arbitration clause the arbitration committee formed, and arbitration proceedings commenced. EPC contractor has made claims against the company. On receipt of arbitration award the company will negotiate with the EPC Contractor to settle the claims. Note - 5.2 to the financial statements which describe the reconciliation of outstanding balances of loans including interest thereon between books and confirmations from banks or financial institutions.
- v) CBI has filed FIR against the Company, Promoters, Directors and Holding Companies on 12/03/2019 under Prevention of Corruption Act and Indian Penal Code. Subsequently, the Enforcement Directorate has raided the premises of the Company on 11-06-2021 and the ED is collecting information and investigation is under progress.
- vi) Banker, the State Bank of India which Disbursed Loans to the Ranchi Express Way Ltd has filed a petition under IBC Code, 2016 herewith referred as Financial Creditor with the National Company Law Tribunal (Hyderabad Bench-1). The Bench is satisfied that the bank has established an existence of financial debt of sum exceeding one crore rupees payable by the respondent, the Ranchi Expressways Limited. In the process, the honourable bench appointed IRP and declared the moratorium under section 14 of IBC Code on 22nd Dec 2023.
- vii) Later, Kamma Srinivas Rao, director of the Company, filed an appeal against the order of NCLT (Hyderabad Bench – 1) with the National Company Law Appellate Tribunal – (Chennai Bench). The Honourable NCLAT raised an argument that petition was not maintainable against the Corporate Debtor (Ranchi Express Ways Ltd) in the absence of any specific board resolution passed by the board of directors of financial creditor (State Bank of India). As a result of this, Honourable NCLAT has deferred the impugned order given by NCLT for a period of two weeks from 29.01.24. As a result, the Company is in the position of status quo as before 22nd Dec 2023.
- viii) Again NCLAT had passed the order dated 19.03.2024 directed to list the matter on 07.06.2024 which implied that interim order passed by the NCLAT dated 29.01.2024 shall continue.
- ix) Cost incurred on the project up to 31st March 2024 Rs.1,33,794 Lakhs instead of writing-off, has been accounted as Claims receivable under the head "Other Financial Assets" which is in contravention of the provisions of Indian Accounting Standards Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets) Claims being Contingent asset in nature. This has resulted in over-statement of Current Assets by Rs. 1,33,794Lakhs and understatement of Cumulative loss by the same amount.

In view of the above, the termination of the Concession Agreement indicates that existence of material uncertainty that casts significant doubt about the Company's ability to continue as a Going Concern.

x) Interest on Loans is not provided for during the year under Audit except interest amount of Rs.34,15,904 related to south india bank which came forward for one time settlement. Respective interest amount had been added to claim receivable from NHA1.

xi) We draw attention to Note 13 to the Financial Statements which indicated that the Company has accumulated losses of Rs.20,946 Lakhs and its Net worth has been substantially eroded.

Our Opinion is not modified in respect of these matters.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

6. Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we further report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) Except for the possible effects of the matter described in the *basis for Qualified opinion*, in our opinion proper books of account as required by law have been kept by the Group so far as appears from our examination of those books;
- c) Except for the possible effects of the matter described in the *basis for Qualified opinion* the Consolidated Balance Sheet, Consolidated Statement of Profit and Loss including Consolidated Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d) Except for the possible effects of the matter described in the *basis for Qualified opinion*, The aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
- e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and
- g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us;
 - i. The Group has disclosed the pending litigations which would impact its financial position in its notes to Consolidated Ind AS financial statements.
 - ii. The Group does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The Holding Company' has not complied with the provisions of section 124(5) of the Companies Act, 2013 regarding the remittance of unpaid dividend of an amount aggregating to Rs. 3.73 Lakhs relating to Financial Years 2009-10 to 2010-11 from unpaid dividend account to Investor Education and Protection Fund (IEPF) within the stipulated period.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by The company or "The Group" to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company or "The Group" from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

- v. None of the companies in "The Group" has neither declared nor paid any dividend during the year.
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended 31st March, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

**For P. Murali & Co,
Chartered Accountants,
FRN No: 007257S**

**A Krishna Rao
Partner
M.No:020085
UDIN: 24020085BKAUHN7488**

**Place: Hyderabad
Date: 18-05-2024**



Annexure A to the Independent Auditor's Report

Report on the Internal Financial Controls over Financial Reporting under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')

In conjunction with our Audit of the Consolidated Ind AS financial statements of the company as of and for the year ended 31st March 2024, we have audited the internal financial controls over financial reporting of **Madhucon Projects Limited** ('the Holding company') and its subsidiary companies which are incorporated in India, as of the date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our Audit. We conducted our audit in accordance with the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the standards on Auditing

deemed to be prescribed under section 143(10) of the Act 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 ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion and the company's internal financial control system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitation 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.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the *Basis for qualified opinion* to the consolidated Independent Auditor's Report, reasonable internal financial controls system over financial reporting but not adequate and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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 ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting, in so far as it relates to one subsidiary and seven step down subsidiaries of "The Group" audited by other auditors, is based on the reports of their respective auditors.

**For P. Murali & Co,
Chartered Accountants,
FRN No: 007257S**

**A Krishna Rao
Partner
M.No:020085
UDIN:24020085BKAUHN7488**

**Place: Hyderabad
Date: 18-05-2024**



MADHUCON PROJECTS LIMITED
Consolidated Balance Sheet as at March 31, 2024

(All the amounts are in lakhs except "No of Shares", "Face value of Equity share" and Earning per share)

	Note No.	As at March 31, 2024	As at March 31, 2023
(R in Lakhs)			
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	2.1	4,917.98	5,261.33
(b) Capital Work-in-Progress	2.1	8,708.53	8,708.53
Intangible Assets	2.1a	11,956.39	-
(i) Intangible Assets under Development		-	14,449.22
(ii) Investment Properties		-	-
(b) Financial Assets			
(i) Investments	2.2	54.58	54.58
(ii) Trade Receivables	2.3	-	-
(iii) Loans	2.4	10,123.94	15.31
(iv) Others Financial Assets	2.5	1,34,125.63	1,13,224.68
(c) [Deferred Tax Assets (Net)]	2.6	5,579.56	4,576.05
(d) Other Non-Current Assets	2.7	17,435.66	15,838.41
Total Non-Current Assets		1,92,902.47	1,62,128.11
Current Assets			
(a) Inventories	2.8	208.89	372.83
(b) Financial Assets			
(i) Investments	2.9	-	-
(ii) Trade Receivables	2.10	3,571.61	507.19
(iii) Cash and Cash Equivalents	2.11	3,909.16	8,238.12
(iv) Bank Balances other than above	2.12	-	-
(v) Loans	2.13	10.16	609.73
(vi) Others Financial Assets	2.14	1,96,414.50	1,96,743.55
(c) Current Tax Asset (Net)	2.15	6,164.24	7,390.12
(d) Other Current Assets	2.16	18,071.61	34,977.30
Total Current Assets		2,28,850.17	2,48,844.84
Total Assets		4,21,252.64	4,10,972.95
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	2.17	740.32	740.32
(b) Other Equity	2.18	(1,51,012.64)	(1,92,690.36)
Less : Profit / (Loss) from Associates		-	-
Equity Attributable to Shareholders of the Company		(1,50,272.32)	(1,91,950.04)
(c) Non-Controlling Interests		(48,514.82)	(43,769.41)
Total Equity		(1,98,787.14)	(2,35,719.45)
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.19	1,57,530.47	1,66,367.26
(ii) Trade Payables	2.20	8,092.84	7,214.44
(A) total outstanding dues of micro enterprises and small enterprises; and			
(B) total outstanding dues of creditors other than microenterprises and small enterprises.]			
(iii) Other Financial Liabilities	2.21	2,024.52	2,148.09
(b) Provisions	2.22	19,644.30	17,259.98
(c) Deferred Tax Liabilities (Net)		-	-
(d) Other Non-Current Liabilities	2.23	13,903.72	954.01
Total Non-Current Liabilities		1,96,195.85	1,93,944.38
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2.24	2,23,806.54	1,55,530.65
(ii) Trade Payables	2.25	36,884.42	45,737.14
(A) total outstanding dues of micro enterprises and small enterprises; and			
(B) total outstanding dues of creditors other than microenterprises and small enterprises.]			
(iii) Other Financial Liabilities	2.26	47,361.62	1,26,571.88
(iv) Employee Benefit Obligations		-	-
(b) Other Current Liabilities	2.27	69,854.30	80,216.00
(c) Provisions	2.28	43,595.35	43,854.38
(d) Current Tax Liabilities (Net)	2.29	2,341.70	837.98
Total Current Liabilities		4,23,843.93	4,52,746.03
Total Equity and Liabilities		4,21,252.64	4,10,972.95

Significant accounting policies & Notes to accounts

The accompanying notes are an integral part of the consolidated financial statements
As per our reported even date annexed

For P.Murali & Co.
Chartered Accountants
FRN : 007257S

A.Krishna Rao
Partner
Membership Number 026085
UDIN: 24420885BKALHN7488

Place : Hyderabad
Date : May 18, 2024

For and on behalf of the Board

N. Seethalakshmi
Managing Director
DIN: 00784491

Mohammad Shafiq
Jt Managing Director
DIN: 07178265

J. Samba siva Rao
Director (F & A)
DIN: 09526475

K. Venkateswarlu
Director cum CFO
DIN: 09713108

D. Malla Reddy
Company Secretary
ACS: 9559

MADHUCON PROJECTS LIMITED

Consolidated Statement of Profit and Loss for the Year ended March 31, 2024

[All the amounts are in lakhs except "No of Shares", "Face value of Equity share" and Earning per share]

	Note No.	Year ended March 31, 2024		Year ended March 31, 2023	
[a] Revenue					
(i) Revenue from Operations	2.30	1,16,375.27		1,16,230.46	
(ii) Other Income	2.31	30,140.46		90,153.51	
Total Revenue			1,46,515.73		2,06,383.97
[b] Expenses					
(i) Cost of Materials and Work Expenses	2.32	96,955.66		1,03,075.48	
(ii) Changes in Inventory and work-in-progress	2.33	-		-	
(iii) Employee Benefits Expense	2.34	2,279.01		2,996.83	
(iv) Finance Costs	2.35	4,142.37		4,712.18	
(v) Depreciation and amortization expense	2.1	3,181.01		79,893.93	
(vi) Other Expenses	2.36	49,043.43		35,419.83	
Total Expenses			1,53,601.50		2,26,098.25
Profit before Exceptional and Extraordinary Items and Tax			(7,085.77)		(19,714.28)
Exceptional Items			-		-
Share of (Loss) from Associate Company			-		-
Profit Before Tax			(7,085.77)		(19,714.28)
Tax Expense					
Current Tax			-		8.91
Adjustment of Tax relating to earlier periods			(7.36)		-
Deferred Tax			(1,003.51)		(2,007.69)
			(1,010.87)		(1,998.78)
[Loss] / Profit for the Year			(6,074.90)		(17,715.50)
Attributable to					
Shareholders of the Company			(4,511.67)		(14,369.90)
Non-Controlling Interests			(1,563.24)		(3,345.60)
Other Comprehensive Income					
Re-Classification of Employee Defined Benefit Obligation			47.35		43.10
Exchange differences on translation			-		-
Amount Not Reclassifiable to P&L			-		-
Other Comprehensive Income for the Year			47.35		43.10
Total Comprehensive (Loss) / Income for the year			(4,464.32)		(14,326.80)
Attributable to					
Shareholders of the Company			(4,464.32)		(14,326.80)
Non-Controlling Interests			(1,563.24)		(3,345.60)
Total Comprehensive Income			(4,464.32)		(14,326.80)
Earnings per share of Face Value of ₹ 10/- each					
Basic and Diluted			(6.11)		(19.47)

Significant accounting policies & Notes to accounts

The accompanying notes are an integral part of the consolidated financial statements
In terms of our report attachedFor P.Murnli & Co.
Chartered Accountants
FRN : 0072578

For and on behalf of the Board

A.Krishna Rao
Partner
Membership Number 020085
UDIN : 24020085BKAUHN7488H. Seethalah Managing Director
DIN: 00784401
Mohammad Shaif Jt Managing Director
DIN: 07178265
J. Samba siva Rao Director (P & A)
DIN: 09526475Place : Hyderabad
Date : May 18, 2024K. Venkateswarlu
Director cum CFO
DIN: 09713108D. Mallu Reddy
Company Secretary
ACS: 9559



Madhucon Projects Limited
Statement of Changes in Equity for the Year ended March 31, 2024

₹ Equity Share Capital
 (₹ Equity Shares of ₹1/- each 7,37,96,940 shares)

I. Current Reporting Period		₹ In Lakhs	
Balance at the beginning of the current reporting period	Changes in equity during the current reporting period	Balance at the end of the current reporting period	₹ In Lakhs
740.32	-	740.32	
II. Previous Reporting Period		₹ In Lakhs	
Balance at the beginning of the previous reporting period	Changes in equity during the previous reporting period	Balance at the end of the previous reporting period	₹ In Lakhs
740.32	-	740.32	

III. Other equity	₹ In Lakhs				₹ In Lakhs				Total						
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Scientific Reserve	Other Reserves - General Reserve	Retained Earnings	Reserves on Consolidation	Debt Instruments through which comprehensive income		Equity Instrument through which comprehensive income	Effective portion of cash flow hedge	Revaluation of surplus	Exchange differences on translation of financial statements of a foreign operation	Other items of other comprehensive income	Money received against share warrants
Balance at the beginning of reporting period	-	-	-	29,313.07	8,061.53	12,38,679.16	1,927.13	-	-	-	-	-	(313.95)	-	(1,92,695.29)
Changes in accounting policy at prior period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the beginning of the reporting period	-	-	-	29,313.07	8,061.53	12,38,679.16	1,927.13	-	-	-	-	-	(313.95)	-	(1,92,695.29)
Total comprehensive income for the year	-	-	-	-	-	(13,474.07)	-	-	-	-	-	-	-	-	(13,474.07)
Dividends declared	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income/(Loss) by way of	-	-	-	-	-	-	-	-	-	-	-	-	1,652.20	-	1,652.20
Adjustments in account of Consolidation	-	-	-	-	8,061.53	(8,061.53)	(1,927.13)	-	-	-	-	-	712.35	-	(8,932.29)
Balance at the end of the year	-	-	-	29,313.07	8,061.53	(8,061.53)	(1,927.13)	-	-	-	-	-	712.35	-	(1,92,695.29)

IV. Previous Reporting Period	₹ In Lakhs				₹ In Lakhs				Total						
	Share application money pending allotment	Equity component of compound financial instruments	Capital Reserve	Reserves on Consolidation	Other Reserves - General Reserve	Retained Earnings	Reserves on Consolidation	Debt Instruments through which comprehensive income		Equity Instrument through which comprehensive income	Effective portion of cash flow hedge	Revaluation of surplus	Exchange differences on translation of financial statements of a foreign operation	Other items of other comprehensive income	Money received against share warrants
Balance at the beginning of previous reporting period	-	-	-	29,313.07	6,051.53	(6,42,293.34)	(1,136.62)	-	-	-	-	-	(316.16)	-	(2,09,543.71)
Changes in accounting policy at prior period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the beginning of the reporting period	-	-	-	29,313.07	6,051.53	(6,42,293.34)	(1,136.62)	-	-	-	-	-	(316.16)	-	(2,09,543.71)
Total comprehensive income for the previous year	-	-	-	-	-	(14,409.82)	-	-	-	-	-	-	-	-	(14,409.82)
Dividends declared	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income/(Loss) by way of	-	-	-	-	-	-	-	-	-	-	-	-	71.50	-	71.50
Adjustments in account of Consolidation	-	-	-	-	5,661.53	(5,661.53)	(1,927.13)	-	-	-	-	-	(112.52)	-	(1,92,695.29)
Balance at the end of the previous year	-	-	-	29,313.07	5,661.53	(5,661.53)	(1,927.13)	-	-	-	-	-	(112.52)	-	(1,92,695.29)

The accompanying notes are an integral part of the standalone financial statements in terms of our report attached

For and on behalf of the Board

K. Srikanth Managing Director DIN: 00784491
R. Sreelaksh J. Sankar Reddy J. Sankar Reddy J. Sankar Reddy J. Sankar Reddy
 Director Director Director Director
 DIN: 00784491 DIN: 00784491 DIN: 00784491 DIN: 00784491
K. Venkateswara Director cum CFO
 DIN: 00712108
D. Math Reddy Company Secretary
 ACS: 9529

A. Srikanth Reddy
 Partner
 Membership Number: 020025
 L15N - 302001926A10N1119
 Place: Hyderabad
 Date: May 10 2024



Madhucon Projects Limited

Consolidated Statements of Cash Flow for the year ended March 31, 2024

(All the amounts are in lakhs except "No of Shares", "Face value of Equity share" and Earning per share)

	Year ended March 31, 2024	Year ended March 31, 2023
(₹ in Lakhs)		
A Cash flow from operating activities		
(Loss) / Profit before tax	(7,085.77)	[19,714.27]
Adjustments for:		
Depreciation and amortisation expense	3,181.01	79,893.93
Dividend Income	-	[0.08]
Interest Income	(223.07)	[138.07]
Receivables / Advances Written Off	-	-
Exceptional Items	-	-
Foreign Exchange (Gain) / Loss	-	-
Finance costs	3,901.36	4,712.19
	6,859.30	84,467.97
Operating Profit Before Working Capital Changes	(226.47)	64,753.70
Change in Working Capital		
(Increase)/decrease in Trade Receivables	(3,064.42)	1,115.95
(Increase)/decrease in Inventories	163.94	180.76
(Increase)/decrease in Other Financial Assets	(20,571.91)	(16,789.71)
(Increase)/decrease in Other Current and Non-Current Assets	16,540.10	(16,569.35)
Increase/(decrease) in short term borrowings (net)	68,275.88	22,880.01
Increase/(decrease) in Trade Payables	(7,974.30)	(14,043.69)
Increase/(decrease) in Other Financial Liabilities	(79,334.41)	54,040.55
Increase/(decrease) in Other Current and Non-Current Liabilities	1,213.93	[1,19,609.05]
Cash generated from operations	(24,977.67)	(24,140.82)
Income taxes paid	-	-
Net cash from operating activities	(24,977.67)	(24,140.82)
B Cash flows from investing activities		
Purchase of Property, Plant and Equipment including CWIP	(344.83)	14,368.98
Change in other equity	46,827.67	3,008.67
Changes in Investments	-	75,348.23
(Increase) / decrease in other bank balances	-	2,035.35
Dividend Received	-	0.07
Interest Received	223.07	138.07
Net cash used in investing activities	46,705.92	94,899.37
C Cash flows from financing activities		
Proceeds/(Repayment) of long term borrowings	(12,646.79)	(67,897.73)
Increase/(decrease) in Loans	(9,509.06)	590.94
Dividend paid	-	-
Interest paid	(3,901.36)	[4,712.18]
Net cash used in financing activities	(26,057.21)	(72,018.97)
Net increase/(decrease) in cash and cash equivalents	(4,328.96)	(1,260.42)
Cash and cash equivalents at the beginning of the financial year	8,238.12	9,498.55
Cash and cash equivalents at end of the year	3,909.16	8,238.12
Reconciliation of cash and cash equivalents as per with the Balance	3,909.16	8,238.12
Cash and Cash Equivalents end of the Year	3,909.16	8,238.12

Significant accounting policies & Notes to accounts

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

For P.Murali & Co.
Chartered Accountants
FRN : 007257S

For and on behalf of the Board

A. Krishna Rao
Partner
Membership Number 020085
UDIN: 24020083BKAUHN7488

N. Seethaiah
Managing Director
DIN: 00784491

Mohammad Shafi
Jt Managing Director
DIN: 07178265

J. Samba siva Rao
Director (F & A)
DIN: 09526475

Place : Hyderabad
Date : May 18, 2024

K. Venkateswarlu
Director cum CFO
DIN: 09713108

D. Malla Reddy
Company Secretary
ACS: 9559



Madhucon Projects Limited

Notes forming part of Consolidated Financial Statements

Company Overview:

Madhucon Projects Limited (MPL) or "the Company" is an integrated construction, Infrastructure development and management Company. The Corporate Office of the Company is located at 'Madhucon House' Road No.36, Jubilee Hills, Hyderabad, India.

Basis of preparation:

A) Statement of compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013.

The consolidated financial statements were authorised for issue by the Company's Board of Directors on May 18, 2024.

Details of the Group's accounting policies are included in Note 1. The accounting policies set out below have been applied consistently to the years presented in the consolidated financial statements.

B) Basis of Measurement

These consolidated financial statements are prepared under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair value in accordance with Indian Accounting Standards (Ind AS). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and OCI are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Consolidated statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

C) Functional and presentation currency

Amounts in the financial statements are presented in Indian Rupees in lakhs rounded off to two decimal places as permitted by Schedule III to the Companies Act, 2013. Per share data are presented in Indian Rupees to two decimals places.

1. Summary of significant accounting policies

Basis of consolidation

The consolidated financial statements of the group comprise the financial statements of the Madhucon Projects Limited ("Parent Company") and its subsidiaries and associates ("the group") as at 31st March 2019.

Subsidiaries:

Entity which is directly or indirectly controlled by Parent Company is treated as subsidiary. Control exists when the Parent Company, directly or indirectly, has power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

The Parent Company starts consolidation of a subsidiary when it obtains control over the subsidiary (directly or indirectly) and ceases when it loses control (directly or indirectly) of the subsidiary.

Consolidation procedure:

The accounting policies of subsidiaries have been harmonised to ensure the consistency with the policies adopted by the Parent Company.



Madhucon Projects Limited

Notes forming part of Consolidated Financial Statements

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31st March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary.

The consolidated financial statements of the Group combines the financial statements of Parent Company and its subsidiaries on line by line basis by adding together the like items of assets, liabilities, equity, income and expenses.

Unrealised profits/losses on intra-group transactions, Intra-group assets, liabilities, income and expenses are eliminated in consolidation. Parent's investment in each subsidiary and the Parent's portion of equity of each subsidiary are eliminated in consolidation.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned directly or indirectly by Parent Company.

1.1 Current versus non-current classification

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

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

All liability is current when:

- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

1.2 Foreign exchange translation and foreign currency transactions:

The functional currency and presentation currency of the Group is Indian rupees.

Foreign currency transactions are accounted at the exchange rates prevailing on the date of transactions. Gains and losses resulting from settlement of such transactions are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Statement of Profit and Loss.



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Notes forming part of Consolidated Financial Statements

1.3 Fair value measurement

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable. On an annual basis, the Management presents the valuation results to the Audit Committee and the Group's independent auditors. This includes a detailed discussion of the major assumptions used in the valuations.

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

1.4 Use of Accounting Estimates & Assumptions:

The preparation of the consolidated financial statements requires that the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates which are recognised in the period in which they are determined.

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1.5 Revenue recognition

The Group has adopted Ind AS 115, Revenue from Contracts with Customers, The Group has applied the following accounting policy for revenue recognition:

Revenue from contracts with customers:

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or
2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Group's performance does not create an asset with an alternative use to the Group and the entity has an enforceable right to payment for performance completed to date.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

Contract revenue (construction contracts)

Revenue from works contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management.

When the Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.



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Notes forming part of Consolidated Financial Statements

Any variations in contract work, claims, and incentive payments are included in the transaction price if it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved.

Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Group.

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

Revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of revenue has been reflected as unearned revenue.

Operation and maintenance contracts

Revenue from maintenance contracts are recognized over the period of the contract as and when services are rendered.

Income from toll contracts

Toll collections from the users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is accounted for based on actual collection. Revenue from sale of smart cards is accounted on cash basis.

Other Income:

Dividend Income:

Dividend income from Investments is recognised when the shareholder's right to receive payment has been established.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs its obligations by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The contract assets are transferred to receivables when the rights become unconditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised

when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

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1.6 Taxes on Income

Income tax expense represents sum of the tax currently payable and deferred tax

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Minimum Alternate Tax (MAT):

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset when it is highly probable that future economic benefit associated with it will flow to the entity.

1.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

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Notes forming part of Consolidated Financial Statements

1.8 Contingent Liabilities and Contingent assets

A disclosure for Contingent liabilities is made in the notes on accounts when there is a possible obligation or present obligations that may, but probably will not, require an outflow of resources. A contingent liabilities arises where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the consolidated financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

1.9 Provisions

The Group recognises provisions when there is present obligation as a result of past event and it is probable that there will be an outflow of resources and reliable estimate can be made of the amount of the obligation.

1.10 Investments in subsidiaries and joint ventures

The Group accounts for the investments in equity shares of subsidiaries and joint ventures at cost in accordance with Ind AS 27- Separate Financial Statements. The Group reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognised in the consolidated Statement of Profit and Loss.

1.11 Employee Benefits:

Provident fund is defined Contribution scheme and contributions are charged to profit and loss account of the year when the contributions to the respective funds are due. Other retirement benefits such as Gratuity, leave encashment etc., are recognized on basis of the independent actuarial valuation.

1.12 Financial Instruments:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at transaction values and where such values are different from the fair value, 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 are recognised immediately in profit or loss.

Financial Assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent Measurement

For the purpose of subsequent measurement, financial assets are classified in following categories:

Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets Measured at Fair Value

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in case where the group has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income. In any other case, financial asset is fair valued through profit and loss.

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Notes forming part of Consolidated Financial Statements

Impairment of Financial Assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in statement of profit or loss.

De-recognition of Financial Assets

The Group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

1.13 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.



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Notes forming part of Consolidated Financial Statements

1.14 Lease

The Group has no leases or any contract containing lease and accordingly, no disclosure has been made on the same.

1.15 Impairment of non-financial assets

Non-financial assets other than inventories, deferred tax assets and non-current assets classified as held for sale are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, or when annual impairment testing for an asset is required, the Corporation estimates the asset's recoverable amount. The recoverable amount is the higher of the asset's or Cash-Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

1.16 Cash flow statement:

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:

Changes during the year in inventories and operating receivables and payables and transactions of a non-cash nature;

Non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses, and undistributed profits of associates; and

All other items for which the cash effects are investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Group is segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement.

1.17 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition including any directly attributable expenditure on making the asset ready for its intended use, attributable interest and finance costs, if any, till the date of acquisition/ installation of the assets less accumulated depreciation and impairment losses, if any. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

On transition to Ind AS, the Group has opted to continue with the carrying values measured under the previous GAAP as at April 01, 2015 of its Property, Plant and Equipment and use the carrying value as deemed cost of the Property, Plant and Equipment on the date of transition i.e April 01, 2015.

1.18 Intangible Assets

Identifiable intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured. Intangible assets are stated at cost, less accumulated amortisation and

accumulated impairment losses, if any. The estimated useful life and amortization method reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

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Notes forming part of Consolidated Financial Statements

Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

1.19 Depreciation/ Amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost less its estimated residual value. Depreciation on Property, Plant and Equipment have been provided on Straight-Line method in accordance with the Schedule II of the Companies Act, 2013, based on the useful life estimated on the technical assessment as in force and proportionate depreciation are charged for additions/disposals during the year. In respect of additions / disposal to the fixed assets / leasehold improvements, depreciation is charged from the date the asset is ready to use / up to the date of disposal. The asset's useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

1.20 Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the Ind AS16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no further economic benefits expected from disposal.

Any gain or loss arising on de-recognition of the property is included in profit or loss in the period in which the property is derecognized.

1.21 Inventories:

Raw Materials:

Raw Materials, construction materials and stores & spares are valued at lower of weighted average cost or net realizable value. Cost includes all charges in bringing the materials to the place of usage, excluding refundable duties and taxes.

Work in Progress:

Work-in-Progress is valued at the contracted rates less profit margin / estimates.

1.22 Interest in Joint Operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a Group undertakes its activities under joint operations, the Group as a joint operator recognises inrelation to its interest in a joint operation:

1. its assets, including its share of any assets held jointly,
2. its liabilities, including its share of any liabilities incurred jointly,
- 3 its revenue, including its share any revenue arising jointly.
4. its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues, and expenses relating to its interest in a joint operation in accordance with the Ind AS applicable to the particular assets, liabilities, revenues, and expenses.

1.23 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.



Madhucon Projects Limited

Notes forming part of Consolidated Financial Statements

1.24 Claims

Claims against the Group not acknowledged as debts are disclosed under contingent liabilities. Claims made by the group are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

1.25 Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

Estimated amount of contracts remaining to be executed on capital account and not provided for
Uncalled liability on shares and other investments partly paid
Funding related commitment to subsidiary, associate and joint venture companies and
Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.
Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.26 Earnings per Share:

Basic earnings per equity share are computed by dividing the net profit or loss for the year attributable to the Equity Shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year, adjusted for the effects of dilutive potential equity shares, attributable to the Equity Shareholders by the weighted average number of the equity shares and dilutive potential equity shares outstanding during the year except where the results are anti-dilutive.

1.27 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment are allocated on the basis of associated revenue of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments are disclosed as un-allocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment and all other assets and liabilities are disclosed as un-allocable. Property, plant and equipment that are used interchangeably among segments are not allocated to reportable segments.

1.28 Toll Projects (Right to charge users):

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue from the users of the public service (road) during the concession period in respect of Build-Operate-Transfer ("BOT") project undertaken by the Group. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to National Highways Authority of India ("NHAI")/State authorities, if any. Till the completion of the project, the same is recognised under intangible assets under development.

The cost incurred for work beyond the original scope per Concession agreement (normally referred as "Change of Scope") is capitalized as intangible asset under development as and when incurred. Reimbursement in respect of such amounts from NHAI/State authorities is reduced from the carrying amount intangible assets to the extent of actual receipts.

Extension of concession period by the authority in compensation of claims made are capitalised as part of Toll Collection Rights at the time of admission of the claim or when there is a contractual right to extension at the estimated amount of claims admitted or computed based on average collections whichever is more evident.

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Notes forming part of Consolidated Financial Statements

Any Viability Gap Funding (VGF) in the form of equity support in connection with project construction is accounted as a receivable and is adjusted to the extent of actual receipts.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

Intangible assets that are not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

1.29 Impairment of Assets:

At the end of each accounting year, the Group reviews the carrying amounts of Intangible assets and property, plant and equipment whether there is any indication that those assets have suffered an impairment loss.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined at the higher of the fair value less cost to sell and the value in use in case of an individual asset and at higher of the cash generating unit's (CGU) net selling price and the value in use.

Impairment loss is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset or CGU is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

1.30 Schedule III amendment disclosures:

Ministry of Corporate Affairs ("MCA") issued notification dated March 24, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its financial statements. These amendments are applicable to the Group for the financial year starting April 1, 2021 and applied to the consolidated financial statements:

- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Additional disclosure for shareholding of promoters.
- Additional disclosure for ageing schedule of trade receivables, trade payables and capital work-in-progress.
- Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Group, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.
- Additional disclosure for relating to Corporate Social Responsibility (CSR) and undisclosed income.

Madhucon Projects Limited
Notes forming part of the Consolidated Financial Statements
2.1 Property, Plant, Equipment and Capital Work-in-Progress

₹ in Lakhs

Particulars	Land	Buildings	Plant & Machinery	Tipper & Trucks	Vehicles	Centering Materials	Temporary Structures	Furniture & Fixtures	Office Equipment	Computers	Total	Capital Work-in-Progress	Total
Cost													
As at 31.03.2023	6,525.61	63.97	25,043.90	11,142.56	2,240.38	2,212.84	3,438.03	1,435.82	117.53	547.86	52,768.50	15,013.41	67,781.91
Additions	81.56	-	4,829.80	-	17.38	115.76	-	42.95	23.51	46.75	5,157.74	1,723.29	6,881.03
Disposals / Adjustments	(1,206.01)	(2.20)	(852.97)	(653.08)	(54.42)	-	-	(3.18)	(63.93)	-	(2,864.79)	(1,137.84)	(4,002.63)
As At 31.03.2023	5,401.16	61.77	28,990.73	10,490.48	2,203.34	2,328.60	3,438.03	1,475.62	77.11	594.61	55,061.45	15,598.86	70,660.31
Additions	540.19	58.03	49.36	-	-	256.15	-	18.04	-	11.67	933.44	517.28	1,450.72
Disposals / Adjustments	(52.14)	-	(359.39)	(897.48)	(0.75)	-	-	-	-	-	(1,309.76)	-	(1,309.76)
As At 31.03.2024	5,889.21	119.80	28,680.70	9,593.00	2,202.59	2,584.75	3,438.03	1,493.66	77.11	606.28	54,685.13	15,598.86	70,283.99
Depreciation													
As at 31.03.2022	-	39.67	23,448.61	9,688.84	1,842.16	2,107.83	3,437.94	1,366.12	52.61	517.64	42,501.12	-	42,501.12
Depreciation	-	0.27	645.03	4.07	240.12	42.40	0.04	22.96	32.59	29.69	1,017.22	-	1,017.22
Disposals	2,879.81	(2.80)	(3,959.63)	(885.60)	(51.93)	-	-	(7.59)	(13.51)	3.77	6,281.78	6,890.33	13,172.11
As at 01.04.2023	2,979.81	37.14	28,053.32	9,107.01	2,030.85	2,150.23	3,437.98	1,381.49	71.69	551.10	49,806.12	6,890.33	56,696.45
Depreciation	-	2.47	407.74	171.17	38.27	32.04	-	14.44	3.38	18.07	688.18	-	688.18
Disposals	517.28	-	(358.45)	(897.47)	8.22	(0.01)	0.01	9.26	-	0.02	(721.14)	-	(721.15)
As at 31.03.2024	3,497.09	39.61	28,102.61	8,380.71	2,076.84	2,182.26	3,437.99	1,405.19	75.07	569.79	49,767.16	6,890.33	56,657.48
Net Block													
As at 31 March 2023	2,421.35	24.63	937.41	1,383.47	172.99	176.37	0.05	94.13	5.42	43.51	5,261.33	8,708.53	13,969.86
As at 31 March 2024	2,392.12	80.19	578.09	1,212.29	125.75	402.49	0.04	88.47	2.04	36.49	4,917.98	8,708.53	13,626.52



Madhucon Projects Limited

Notes forming part of the consolidated financial statements

2.2 Investments

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
i) Investment in Equity Instruments		
(i) Subsidiaries:		
In Shares of ₹ 10 each, fully paid up (otherwise specified)		
Sinhajuri Energy Limited	-	-
Madhucon Natural Resources Limited (Singapore)	0.21	0.21
Shares of S\$ 1/-each		
Others-Subsidiary Companies*		
(ii) Associates:		
In Shares of ₹ 10 each, fully paid up (otherwise specified)		
Madhucon Agro Jaipur Expressways Limited	3.12	3.12
Madhucon Properties Limited	1.00	1.00
Chhapra Hailpur Expressways Limited	-	-
(iii) Others:		
In Shares of ₹ 10 each, fully paid up (otherwise specified)		
Rajnagar Gas Power Private Limited	48.81	48.81
Canara Bank Limited	1.44	1.44
(iv) Provision for impairment on investment	-	-
Total	54.58	54.58

2.3 Trade Receivables

	(₹ in Lakhs)			
	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current	Non-Current	Current
Un Secured, Considered good				
From Related Parties	-	-	-	-
From Joint Ventures		1,397.71		110.49
From Others -		-		-
From Government Companies		1,832.81		303.66
From Others	-	341.09	-	93.04
Total	-	3,571.61	-	507.19

Particulars	Outstanding for following periods from due date of payment F.Y 2023-24					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
increase in credit risk	-	-	-	-	-	-
	-	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment F.Y 2022-23					
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
	-	-	-	-	-	-

2.4 Loans

	(₹ in Lakhs)			
	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current	Non-Current	Current
Unsecured, considered good				
Loans to Related Parties				
Loans to Related Parties	10,112.67			
Security Deposits	10.22	10.16	15.31	312.26
Others-	1.05	-	-	297.47
Total	10,123.94	10.16	15.31	609.73

2.5 Other Financial Assets

	(₹ in Lakhs)			
	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current	Non-Current	Current
Unsecured, considered good				
Bank Deposits with maturity more than 12 months	612.06	-	663.64	-
Earnest Money Deposits	191.87	-	191.87	-
Retention Money Deposit	5,694.60	-	2,061.64	-
Receivable under service concession arrangements	1,17,216.84	-	1,04,111.16	-
Advances Recoverable	10,410.26	-	5,871.46	-
Receivable From Others	-	184.03	324.91	867.37
Receivable From NHAI	-	4,655.29	-	-
Claims Receivable from NHAI*	-	1,88,388.89	-	1,92,528.62
Retention Money Deposit	-	2,762.26	-	1,425.14
Other receivables from related parties	-	423.59	-	1,922.42
Total	1,34,125.63	1,96,414.06	1,13,224.68	1,95,743.55



2.6 Deferred Tax Asset / (Liability) (net)

	As at March 31, 2024	As at March 31, 2023
Deferred Tax Asset		
Opening Balance	4,576.05	2,568.36
During the year	1,003.51	2,007.69
Total	5,579.56	4,576.05

2.7 Other Non-Current Assets

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current	Non-Current	Current
Capital Advances	-	-	-	-
Advance to suppliers and sub-contractors	11,339.15	9,038.66	10,695.63	11,323.04
Others	-	-	-	-
Retention Money	6.57	-	-	-
Deposits and Refunds	21.48	-	-	-
Related Party Advances	262.33	-	157.54	-
Other Receivables	5,779.41	-	4,700.85	-
Rental Deposit	-	2.44	-	15.92
Employee Advance	-	10.26	-	14.26
Intangible Assets Under Development	-	-	-	5.33
Prepaid Expenses	-	5.88	-	7.58
Prepaid Insurance	-	1.96	-	9.24
Advances to related parties	-	-	-	20,289.74
OTS Payment to IFCI Limited	-	2,950.00	-	-
Statutory Dues Receivable	26.92	3,667.74	284.39	1,202.34
Advances other than Capital Advances	-	2,394.67	-	2,109.96
Total	17,435.86	18,071.61	15,838.41	34,977.30

2.8 Inventories

	As at	
	March 31, 2024	March 31, 2023
Raw Materials	208.89	372.83
Work-in-Progress	-	-
Total	208.89	372.83

2.9 Investments

	As at	
	March 31, 2024	March 31, 2023
In Immovable Properties	-	-
In Mutual Funds	-	-
Total	-	-

2.10 Trade Receivables

	As at	
	March 31, 2024	March 31, 2023
Un Secured, Considered good		
Trade Receivables		
From Related Parties	-	-
From Joint Ventures	1,397.71	110.49
From Others -		
Government Companies	1,832.81	303.66
Others	341.09	93.04
Total	3,571.61	507.19

Particulars	Outstanding for following periods from due date of payment F.Y 2023-24					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	3,570.10	-	-	-	1.51	3,571.61
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
	3,570.10	-	-	-	1.51	3,571.61

Particulars	Outstanding for following periods from due date of payment F.Y 2022-23					
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	505.67	-	-	0.03	1.48	507.19
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
	505.67	-	-	0.03	1.48	507.19

2.11 Cash and Cash Equivalents

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Cash on hand	11.55	15.98
Balances with Banks		
In Current Accounts	3,225.13	7,598.03
In Deposit Accounts with Maturity less than 3 months	652.28	617.49
Inoperative Accounts	10.83	-
Unpaid Dividend Accounts	5.37	6.62
Total	3,909.16	8,238.12

2.12 Bank Balance other than above

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Margin money and other deposits with banks	-	-
Total	-	-

Madhucon Projects Limited

Notes forming part of the financial statements

2.13 Loans

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good		
Security Deposit	10.16	312.26
Other loans & advances	-	297.47
Total	10.16	609.73

2.14 Other Financial Assets

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Receivable From Others	184.03	867.37
Earnest Money Deposits	0.44	-
Receivable From NHAI	4,655.29	-
Other receivables from related parties	423.59	1,922.42
Claims Receivable from NHAI*	1,88,386.89	1,92,528.62
Retention Money Deposit	2,762.26	1,425.14
Total	1,96,414.50	1,96,743.55

2.15 Current Tax Asset(Net)

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
TDS Receivables	5,332.83	6,943.40
GST Input	831.41	226.36
Total	6,164.24	7,169.76

2.16 Other Current Assets

	(₹ in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Prepaid Expenses	5.88	7.58
Prepaid Insurance	1.96	9.24
Advance to suppliers, sub-contractors	9,038.66	11,323.04
Rental Deposits	2.44	15.92
Intangible Assets under Development	-	5.32
Employee Advance	10.26	14.26
Statutory Dues Receivable	3,667.74	1,202.24
Advances to related parties	-	20,289.71
OTS Payment to IFCI Limited	2,980.00	-
Advances other than Capital Advances	2,394.67	2,109.96
Total	18,071.61	34,977.30

Medhucon Infra Limited

Notes forming part of the consolidated financial statements

2.17 Equity Share Capital

		(₹ in Lakhs)		
	Number of Shares	As at March 31, 2024	Number of Shares	As at March 31, 2023
Authorised				
Equity Shares of ₹ 10/- each	4,50,00,00,000	4,50,000.00	4,50,00,00,000	4,50,000.00
Total		4,50,000.00		4,50,000.00
Issued, Subscribed and Called up Capital				
Equity Shares of ₹ 10/- each		-	-	-
Fully paid up Capital				
Equity Shares of ₹ 10/- each	Equity Shares of ₹ 1/- each	737.95	Equity Shares of ₹ 1/- each	737.95
Add : Forfeited Shares Amount originally paid up		2.37		2.37
Total		740.32		740.32



a) Reconciliation of the Number of Equity Shares Outstanding at beginning and at end of the year

₹ in Lakhs

	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
Balance at the beginning of the year	1,28,77,77,045	1,28,777.70	1,28,77,77,045	1,28,777.70
Add: Equity Shares allotted during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Balance at the end of the year	1,28,77,77,045	1,28,777.70	1,28,77,77,045	1,28,777.70

b) Terms/ Rights attached to Shares:

The Company has only one class of paid-up equity shares having par value of ₹10 per share. Each shareholder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees only. The Dividend proposed by the Board of Directors is subject to approval of the shareholders in the Annual General Meeting.

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

c) Bonus Shares/ Buy back shares for consideration other than cash issued during the past five years:

[1] Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being received in Cash - Nil

[2] Aggregate number and class of shares allotted as fully paid up by way of Bonus shares - Nil

[3] Aggregate number and class of Shares bought back - Nil

Notes forming part of the financial statements

2.18 Other Equity

₹ in Lakhs

	As at March 31, 2024		As at March 31, 2023	
(a) Securities Premium		29,313.07		29,313.07
(b) Capital Reserve				
Less: Capital Grant Defferment				
(b) General Reserve				
Opening Balance	5,061.53		5,061.53	
Add: Additions during the year	-		-	
Closing Balance		5,061.53		5,061.53
(c) Surplus in Statement of Profit and Loss				
Opening Balance	(2,28,679.16)		(1,97,979.18)	
Add: Profit for the Year	(12,474.97)		(14,408.62)	
Add: Capital Grant Defferment	413.59		(8,850.62)	
Correction in Profit and Loss	58,450.95		(7,440.74)	
Less: Appropriations				
Proposed Dividend	-		-	
Dividend Distribution Tax	-		-	
Transfer to Reserves	-		-	
Closing Balance		(1,82,289.59)		(2,28,679.16)
Other Components of Equity				
Remeasurements of the defined benefit plans and others	(153.87)		(201.22)	
statements of foreign operations	1,006.24		28.29	
Increase/(Decrease) in borrowing cost pursuant to application of Effective Interest rate method	(140.02)		(140.02)	
		712.35		(312.95)
(d) Reserves on Consolidation		-		1,927.15
Equity Component of Unsecured Loan	(3,810.00)	(3,810.00)		-
Total		(1,51,012.64)		(1,92,690.36)

2.19 Borrowings

₹ in Lakhs

	As at March 31, 2024	As at March 31, 2023
Secured:		
Debtentures		
Term Loans		
From Banks*	1,10,098.66	24,352.22
From Financial Institutions	8,576.50	1,19,001.33
From Others**	26,979.86	-
Unsecured:		
Loans from related parties	1,517.56	22,727.81
Loans from Financial Institutions	10,357.89	285.90
Total	1,57,530.47	1,66,367.26

*Represents the loans extended by Banks to Subsidiaries/Step down Subsidiaries

**Represents the term loan from NHAI (includes Interest)

Madhucon Infra Limited

Notes forming part of the consolidated financial statements

(i) Madhucon Infra Limited

Total amount payable as at 31.03.2024 to IFCI was Rs. 14,596.40 lakhs as per books of account. The company has submitted One time settlement proposal with IFCI and it was agreed to accept Rs.7000Lakhs towards full and final settlement. The company has paid Rs.1550 Lakhs and it was adjusted towards principal amount. The company requested to revise the OTS amount to ₹51 Cr and the same has been approved. OTS amount to be paid within 9 months from 19th June 2023.

ii) No Interest has been provided on the amounts payable to IFCI for the current FY 2023-24, pending OTS.

(ii) Chhapra - Hajipur Expressways Limited

Term loans from banks - The loan is repayable in 17 semiannual unequal installments starting from June,2022. NHAI Loan - The loan is repayable at the time of receipt of semi annualities after PCOD.

Unsecured Loan - Repayment shall be made only after the Final Settlement date, on which all the Secured Obligations have been discharged.

Terms of Security of secured term

borrowed from a consortium of 05 bankers & from NHAI as per common loan agreement dated 03-12-2010 for an amount of Rs.585 crores, and further enhanced loan facility agreement dated on 30-01-2016 for an amount of Rs.176.83 crores, further enhanced loan facility agreement dated on 09-01-2018 for an amount of Rs.171.99 crores and from NHAI as per tripartite agreement dated on 21-10-2016. During the year the company has not provided the interest on to the term loans due to term loans became NPA. Interest has been provided for loan from NHAI.

Terms of Security

The Company has executed loan documents and created security as per common loan agreement dated 03-12-2010 and enhanced loan facility agreement dated 30-01-2016 and 09-01-2018.

(iii) Ranchi Expressways Limited

Terms of Security of Secured Term Loans

Indian Rupee Term Loans Consists of Loans borrowed from a consortium of 13 bankers & one financial institution as per common loan agreement dated 31-10-2011. The entire outstanding debt as per common loan agreement was re-structured and the loan amount was payable as per master amendment to common loan agreement dated 28-03-2017. The company has entered in OTS with one of the consortium bank and payments were made as per repayment schedule.

Terms of Security

The Company has executed loan documents and created security as per common loan agreement dated 31-10-2011 and amendment to common loan agreement dated 28-03-2017.

Terms of Repayment

On Secured Loan from Related Parties: The unsecured loans are provided by the promoters of the company as per common loan agreement with Senior Lenders by way of Sub-ordinate loan such sub-Ordinate loans interest and principle repayment shall be made after final settlement date. The date on which all the secured obligations have been discharged in full to the satisfaction of the lenders.

(iv) TN (DK) Expressways Limited

Terms of Repayment of Secured Loan:

Indian Rupee Term Loans consists of Loans borrowed from a consortium of 4 banks as per common loan agreement dated 11.10.2006. The entire outstanding debt as per common loan agreement was re-structured and the loan amount was payable as per master restructure agreement dated 30.03.2013. Company has not provided interest during financial year.

The Lenders adjusted an amount of Rs.380.77 Crs from Escrow Account directly towards interest and principal as at March 2024 against the term loan of Rs.224.00 Crs given by the Lenders.

Terms of Security:

The company has executed loan documents and created security as per common loan agreement dated 11.10.2006 and master restructure agreement dated 30.03.2013.

Terms of Repayment of Unsecured Loans:

The unsecured loans are provided by the promoters of the company as per common loan agreement with senior lenders by way of subordinate loan. Such subordinate loans interest and principal repayment shall be made after final settlement date. The date on which all the secured obligations have been discharged in full to the satisfaction of the lenders.

(v) Madurai-Tuticorin Expressways Limited

Terms of Repayment - Secured Loans

Indian Rupee Term Loans consists of Loans borrowed from a consortium of 5 bankers & one financial institution as per common loan agreement dated 13.01.2007. The entire outstanding debt as per common loan agreement was re-structured and the loan amount was payable as per master restructure agreement dated 28.03.2013.

The Lenders adjusted an amount of Rs.801.60 Crs from Escrow Account directly towards interest and principal as at March 2024 against the term loan of Rs.596.00 Crs given by the Lenders.

Terms of Security

The company has executed loan documents and created security as per common loan agreement dated 13.01.2007 and master restructure agreement dated 28.03.2013.

Terms of Repayment - Unsecured Loan - from related parties

The unsecured loans are provided by the promoters of the company as per the common loan agreement with Senior Lenders by way of Sub-ordinate loan. Such Sub-Ordinate loans interest and principal repayment shall be made after final settlement date. The date on which all the secured obligations have been discharged in full to the satisfaction of the lenders.

Terms of Repayment - Unsecured Loan - from others:

The company has availed loan from M/s Innovations Payment Services Limited and the amount was utilised for closing the term loan account availed from SBI.

(vi) Trichy-Thanjavur Expressways Limited

Terms of Repayment - Secured Loans

Indian rupee Term Loans consists of Loans borrowed from a consortium of 5 bankers & one financial institution as per common loan agreement dated 02.12.2006. The entire outstanding debt as per common loan agreement was re-structured and the loan amount was payable as per master restructure agreement dated 28.03.2013. The company has not provided interest.

The Lenders adjusted an amount of Rs.366.60 Crs from Escrow Account directly towards interest and principal as at March 2023 against the term loan of Rs.261.00 Crs given by the Lenders.

Terms of Security

The company has executed loan documents and created security as per common loan agreement dated 02.12.2006 and master restructure agreement dated 28.03.2013.

Terms of Repayment- Unsecured Loan - from related parties

The unsecured loans are provided by the promoters of the company as per the common loan agreement with senior lenders by way of sub-ordinate loan. Such sub-ordinated loans interest and principal repayment shall be made after final settlement date. The date on which all the secured obligations have been discharged in full to the satisfaction of the lenders.

The company has availed loan from M/s Innovations Payment Services Limited and the amount was utilised for closing the term loan account availed from SBI.

**(vii) Barasat-Krishnagar Expressways Limited****Terms of Repayment - Secured Loan**

Rupee Loans Consists of Loans borrowed from a consortium of 7 bankers & one financial institution as per common loan agreement dated 26-09-2011. The entire outstanding debt as per common loan agreement was amended and the loan amount was payable as per master agreement dated 24-06-2015. During the year the company has not closed the any term loan account. The company has not provided the interest during the financial year due to the term loans became NPA.

Terms of Security

The Company has executed loan documents and created security as per common loan agreement dated 26-09-2011 and master agreement amended on dated 24-06-2015

Terms of Repayment - Un Secured Loan from Related Parties

The unsecured loans are provided by the promoters of the company as per common loan agreement with Senior Lenders by way of Sub-ordinate loan such sub-Ordinate loans interest and principle repayment shall be made after final settlement date. The date on which all the secured obligations have been discharged in full to the satisfaction of the lenders

2.20 Trade Payables

(R in Lakhs)

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current	Non-Current	Current
For supply and Services	3,768.40	23,050.98	580.71	35,744.13
Retention Money Deposits	3,134.92	1,393.92	2,381.93	3,355.22
Others	1,189.52	12,439.52	4,151.80	6,415.02
Due to Other Payables	-	-	-	222.76
Total	8,092.84	36,884.42	7,214.44	45,737.13

Particulars	Outstanding for following periods from due date of payment F.Y 2023-24				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	-	2,905.15	2,386.16	2,801.53	8,092.84
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	-	2,905.15	2,386.16	2,801.53	8,092.84

Particulars	Outstanding for following periods from due date of payment F.Y 2023-23				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	77.12	3,807.09	533.15	2,857.24	7,274.61
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	77.12	3,807.09	533.15	2,857.24	7,274.61

2.21 Other Financial Liabilities

(R in Lakhs)

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current	Non-Current	Current
Amounts payable to related parties	-	-	-	1,914.40
Current Maturities of Long Term Borrowings	-	9,969.25	-	79,163.91
Interest Accrued and due on Borrowings	-	4,440.92	-	27,216.82
Interest accrued but not due	-	-	-	-
Other Payables	2,024.52	-	2,148.69	-
Audit Fee Payable	-	0.71	-	0.90
Retention Money Payable	-	367.58	-	349.38
Security Deposit	-	1.50	-	-
Madhucon Intra Limited- Holding company of Holding company	-	880.33	-	556.60
Salary Payable	-	22.24	-	-
Other Financial Liabilities	-	13,672.98	-	564.98
*Advance against Arbitration award	-	4,604.64	-	4,664.64
Employees	-	981.99	-	1,050.36
Royalty	-	589.35	-	644.05
Works Contract Tax, Central Sales Tax, VAT	-	416.01	-	696.79
Dividend Tax	-	139.93	-	139.93
ESI, PF	-	70.30	-	98.48
Expenses Payable	-	59.90	-	45.85
Director Remuneration	-	17.05	-	5.12
Madhucon Granites Limited	-	2,477.78	-	2,482.28
Shareholders	-	1,767.85	-	2,158.05
Other Payables	-	6,770.05	-	6,371.93
Unpaid Dividends	-	3.73	-	4.78
Trade Payables	-	-	-	-
Payables to Related Parties	-	47.51	-	47.04
Total	2,024.52	47,361.62	2,148.69	1,26,571.88

2.22 Provisions

(R in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Gratuity	93.23	130.76
Compensated absences	24.21	44.52
Provision for Major Maintenance and Repairs	14,526.86	17,084.70
Total	14,644.30	17,259.98



Madhucon Projects Limited
Notes forming part of the financial statements
2.23 Other Non-Current Liabilities

	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current	Non-Current	Current
Mobilization Advance	3,789.32	110.33	945.29	3,116.81
Material Advance	8.74	-	8.72	-
Machinery Advance	-	-	-	306.98
Statutory Dues Payable	-	2,997.47	-	2,818.22
Other Liabilities	-	50,880.85	-	46,837.88
Other Liabilities - Machinery Recovery	117.31	-	-	-
Other Liabilities - Fines and Penalties	515.58	-	-	-
Other Liabilities - Retention	1,496.42	-	-	-
Other Liabilities - Royalty	219.64	-	-	-
Other Liabilities - GST Withheld	1,022.77	-	-	-
Other Liabilities - Withheld	6,733.92	-	-	-
Revenue Received in Advances	-	185.80	-	245.20
Other advances from related parties	-	15,679.85	-	26,890.83
Total	13,903.72	69,854.30	954.01	80,216.00

2.24 Borrowings

	As at	
	March 31, 2024	March 31, 2023
Secured:		
Loans repayable on demand		
From Banks		
ICICI Bank	20,140.15	22,732.65
Punjab National Bank	5,241.20	5,241.20
Kotak Mahindra Bank	2,036.26	2,036.26
Canara Bank	5,951.56	5,951.56
IDBI Bank	-	5,627.89
Bank of India	-	2,661.70
AXIS Bank	-	373.62
State Bank of India	-	4,214.38
From Banks (Others)*	1,57,005.05	63,730.82
From Financial Institutions		
From NBFC**	20,916.92	4,508.69
From Others	12,514.80	88,451.89
Total	2,23,806.64	1,65,530.65

*Term Loan availed by Subsidiaries/Step down Subsidiaries from banks for which details are not mentioned in respective Subsidiary/Step down Subsidiary financials

**Term Loan availed by Subsidiaries from Srel Equipment Finance Limited & IFC

2.25 Trade Payables

	As at	
	March 31, 2024	March 31, 2023
For Supplies and Services	23,050.98	35,744.13
Retention Money Deposits	1,393.92	3,355.22
Others	12,438.52	6,418.02
Due to Other Payables	-	222.76
Total	36,884.42	45,737.13

Particulars	Outstanding for following periods from due date of payment F.Y 2023-24				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	5.62	7.77	191.32	-	204.71
(ii) Others	20,027.54	3,992.10	1,589.07	11,072.01	36,679.71
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	20,033.16	3,999.87	1,779.38	11,072.01	36,884.42

Particulars	Outstanding for following periods from due date of payment F.Y 2022-23				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	13,869.83	10,966.02	4,102.40	16,798.88	45,737.13
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	13,869.83	10,966.02	4,102.40	16,798.88	45,737.13

2.26 Other Financial Liabilities

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Current Maturities of Long Term Borrowings	9,969.25	79,163.91
Interest Accrued and due on Borrowings	4,440.92	27,216.82
Payables to Related Parties	47.51	47.04
Unpaid Dividends	3.73	4.78
Other Payables		
Audit Fee Payable	0.71	0.90
Retention Money Payable	367.58	349.38
Security Deposit	1.50	-
Madhucon Infra Limited- Holding company of Holding company	880.33	866.60
Salary Payable	22.24	-
Other Financial Liabilities	13,672.98	564.98
*Advance against Arbitration award	4,664.64	4,664.64
Employees	981.99	1,050.36
Royalty	569.35	644.05
Works Contract Tax, Central Sales Tax, VAT	416.01	696.79
Dividend Tax	139.93	139.93
ESI, PF	70.30	95.48
Expenses Payable	59.90	45.85
Director Remuneration	17.05	5.12
Madhucon Granites Limited	2,477.78	2,482.28
Shareholders	1,767.85	2,158.05
Other Payables	6,770.06	6,371.93
Total	47,361.62	1,26,571.88

2.27 Other Current Liabilities

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Statutory Dues Payable	2,997.47	2,818.22
Other Liabilities	50,880.85	46,837.88
Machinery Advance	-	306.96
Mobilization Advance	110.33	3,116.81
Revenue Received in Advances	185.80	245.30
Other advances from related parties	15,679.85	26,890.83
Total	69,854.30	80,216.00

2.28 Provisions

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Provision for Employee Benefits		
Gratuity	84.58	87.50
Compensated absences	21.69	23.46
Provision for Baddebts	4,128.46	4,128.46
Provision for Expenses	38,308.14	1,470.79
Provision for Expected Credit Loss	870.63	870.63
Provision for Sub Contractors	168.05	168.05
Provision for Periodic Maintenance	13.80	37,105.42
Total	43,598.35	43,854.38

2.29 Current Tax Liabilities (Net)

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
TDS Payable	2,341.70	837.98
Total	2,341.70	837.98

2.30 Revenue from Operations

(₹ in Lakhs)

	Year ended March 31, 2024	Year ended March 31, 2023
Operating Income		
Income from Contracts and Services	1,07,750.94	89,681.22
Toll Fee Collection	7,987.70	23,180.67
Others	18.64	1,498.47
Supply of Materials and Machinery hire services to Sub Contractors	468.75	152.88
Sale of Scrap and Aggregate	146.73	2,090.31
Rental Income	5.48	-
Income Tax Refund	-	226.93
Total	1,16,375.27	1,16,230.46

2.31 Other Income

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income	223.07	138.07
Miscellaneous Income		
Other Non-operating Income	-	23,691.40
Balances Write back	15,936.87	-
Insurance Claim	3.08	-
Miscellaneous Income	1,007.88	-
Other Income	83.45	65,654.63
Capital Grant Defferment	268.39	660.33
Dividend Income	-	0.08
Benefit on OTS	12,503.97	-
Profit on Sale of Asset	113.75	-
Other Non Operating Income	-	-
Total	30,140.46	90,153.61

2.32 Cost of Materials and Work Expenses

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Stores and Spares	17,577.97	14,583.78
Work Expenses	77,377.71	88,391.70
Total	94,955.68	1,03,075.48

2.33 Changes in Work-in-progress and Stock

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Opening Stock	-	-
Opening Work-in-Progress	-	-
Closing Stock	-	-
Closing Work-in-Progress	-	-
(Increase)/Decrease in Work-in-Progress	-	-

2.34 Employee Benefits Expense

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Salaries & Wages Bonus and Provident Fund	2,081.94	2,750.11
Staff Welfare Expenses	197.37	246.72
Total	2,279.01	2,996.83

2.35 Finance Cost

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Interest Expense	3,901.36	4,700.37
Bank Guarantee Commission	241.01	11.81
Total	4,142.37	4,712.18

2.36 Other Expenses

	(₹ in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Administrative Expenses	7,505.17	1,428.11
Insurance Charges	59.10	182.67
Consultancy charges	686.35	368.65
Rent, Rates & Taxes	458.91	553.23
Advances & Investments written off	40,333.90	32,444.66
Foreign Exchange Loss	-	442.51
Total	49,043.43	35,419.83



Madhucon Projects Limited

Notes forming part of Consolidated Financial Statements

2.37 Subsidiaries companies considered in the financial statements are:

S.No.	Name of the Entity	Country of Incorporation	Proportion of Ownership Interest		
			Madhucon Projects Limited	Madhucon Infra Limited	Madhucon Toll Highways Limited
1	Madhucon Infra Limited	India	94.89%	-	-
2	Nama Hotels Private Limited	India	99.96%	-	-
3	Madhucon Mega Mall Private Limited	India	66.67%	-	-
4	Madhucon Heights Private Limited	India	66.67%	-	-
5	Madhurai Tuticorin Expressways Limited	India	54.12%	-	24.48 %
6	Madhucon Toll Highways Limited	India	0.01%	99.98%	-
7	Ranchi Expressways Limited	India	0.02%	0.02%	99.94%
8	Barasat Krishnagar Expressways Limited	India	0.03%	0.04%	99.88%
9	TN(DK) Expressways Limited	India	0.13%	50.97%	48.86%
10	Trichy-Thanjavur Expressways Limited	India	0.15%	76.10%	23.70%
11	Chhapra-Hajipur Expressways Limited	India	0.08%	27.86%	23.41%
12	Vijayawada-Machilipatnam Expressways Limited	India	1.78%	13.33%	80.44%
13	Rajauli Bakhtiyarpur Expressways Limited	India	4.80%	4.00%	83.20%
14	PT Madhucon Indonesia	Indonesia	4.86%	85.00%	-

2.38 (a) Contingent Liabilities not provided for:

(₹ in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Bank Guarantees*	22,177.40	24,105.61
Corporate Guarantees issued by the Company on behalf of its subsidiaries and others	-	-
Disputed Sales Tax (on appeal)	-	637.42
Entry Tax	8.85	8.85
Service Tax	1,655.75	1,655.75
Provident Fund	1,083.64	1,083.64
Work Contract Tax	396.86	-
Interest on TDS Paid	542.99	-
Arbitration Award Claim	6,792.88	-
Levied penalty of Rs.14,436.00 and Rs.60,632.00 Lakhs in Trichy-Tanjavur Expressways Ltd and Madurai-Tuticorin Expressways Ltd respectively delay in undertaking of periodic maintenance work. However the NHAI has terminated the project on 17-03-2023	75,068.00	-
Levied penalty for delay in undertaking of periodic maintenance work in TN (DK) Expressways Ltd.	26,101.00	-
The Group is a party to legal suits on construction contract terms related disputes, pending before various courts in India as well as arbitration proceedings. It is not possible to make a fair assessment of the likely financial impact of these pending disputes / litigations until the cases are decided by the appropriate authorities	Amount not ascertainable	Amount not ascertainable
	9,914.55	10,157.85

*on behalf of Subsidiaries and Joint Ventures



Madhucon Projects Limited

Notes forming part of Consolidated Financial Statements

2.39 The long term unquoted investments in equity shares of subsidiary companies as given hereunder and included in Schedule V are pledged with Banks and Financial Institutions which have extended loan facilities to the respective investee companies.

S.No	Name of the entity	No of Shares pledged as at 31.03.2024	No of Shares pledged as at 31.03.2023
1	Madurai Tuticorin Expressways Limited	13,98,20,500	13,98,20,500
2	Nama Hotels Private Limited	1,38,41,000	1,38,41,000
3	Madhucon Infra Limited	51,74,77,705	51,74,77,705
4	Madhucon Toll Highways Limited	12,00,00,000	12,00,00,000
5	Madhucon Heights Private Limited	9,000	9,000
6	TN (DK) Expressways Limited	6,04,87,600	6,04,87,600
7	Trichy-Thanjavur Expressways Limited	4,59,30,000	4,59,30,000
8	Chhapra-Hajipur Expressways Limited	4,74,96,637	4,74,96,637
9	Barasat-Krishnanagar Expressways Limited	2,21,34,000	2,21,34,000
10	Ranchi Expressways Limited	7,52,08,000	7,52,08,000

2.40 Deferred Tax Asset / (Liabilities) (net)

Significant components of deferred tax Asset /(Liabilities) for the year ended March 31, 2024:

(₹ in Lakhs)

	As at March 31, 2024	As at March 31, 2023
Deferred Tax Asset		
Opening Balance	4,576.05	2,568.36
During the Year	1,003.51	2,007.69
Deferred Tax Asset / (Liability) (net)	5,579.56	4,576.05

2.41 Disclosure in accordance with IND AS 115 Revenue from Contracts with Customers

	(₹ in Lakhs)	
	2023-24	2022-23
Contract revenue recognized	94,508.82	86,338.99
Aggregate of contract costs incurred and recognised profits (less recognised losses) up to the reporting date for Contracts in progress	6,22,045.77	5,61,627.75
Amount of advances received for contracts in progress	2,743.33	2,975.12
Amount of retention money for contracts in progress	3,211.64	154.24
Gross amount due from customers for contracts in progress	2,299.23	414.15

2.42 **Micro & Small Enterprises:** The management has not identified the enterprises which have provided goods and services to the Group and which qualify under the definition of Micro and Small Enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as on 31st March, 2024 has not been made in the financial statements. Further, in the view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

2.43 Earnings per Share:

	Year ended March 31, 2024	Year ended March 31, 2023
Net Loss after tax available for equity shareholders (₹ in Lakhs)	(4511.67)	(14,369.90)
Weighted Average number of equity shares for Basic EPS (Nos)	7,37,94,940	7,37,94,940



Madhucon Projects Limited

Notes forming part of Consolidated Financial Statements

Weighted Average number of equity shares for Basic EPS (Nos)	7,37,94,940	7,37,94,940
Face Value per Share (₹)	1.00	1.00
Basic and Diluted EPS * (₹)	(6.11)	(19.47)

*The Company has no dilutive instruments. As such Diluted Earnings per share equals to Basic Earnings per share.

2.44 Related Party Transactions:

I. Following are the list of related parties and relationships

S.No.	Particulars	
A.	Enterprises where significant influence exists	
1	Madhucon Estates Limited	
2	MBN Anchored Earth Limited	
B.	Joint Ventures	
3	Madhucon Sino-Hydro JV	
4	Madhucon Shreehari Hule JV	
5	MPL SCCPL SSBBC JV	
6	Madhucon – Kored JV	
C.	Key Management Personnel	
7	Sri Nama Seethaiah - Managing Director	
8	Sri K. Venkateswarlu - Director cum CFO	
9	Sri J. Samba Siva Rao - Director (F&A)	
10	Sri Md Shafi – Joint Managing Director	
11	Sri D Mall Reddy - Company Secretary	

II. Related party transactions during the year as follows

	(' ₹ in Lakhs)	
	2023-24	2022-23
Revenue from Contracts and Services	12,115.92	3,301.91
Remuneration		
Key Management Personnel	151.87	134.53
Sitting Fee	2.60	1.75
Loans/Advances Given		
Jointly Controlled/entities and ventures	(9.14)	2,544.41
Loans/Advances Received		
Associates		-
Enterprises owned or significantly influenced by key management personnel or their relatives		-
Retention Money		
Step-down subsidiaries	462.17	132.98
Jointly Controlled/entities and ventures	271.45	35.21



Madhucon Projects Limited
Notes forming part of Consolidated Financial Statements

III. Related Party balances outstanding at the end of the year as follows

(₹ in Lakhs)

	2023-24	2022-23
Trade Receivables		
Jointly Controlled/entities and ventures	1,279.74	110.49
Outstanding Receivables		
Associates	-	-
Jointly Controlled/entities and ventures	2,833.83	-
Key Management Personnel	-	64.78
Enterprises owned or significantly influenced by key management personnel or their relatives	-	-
Outstanding Payables		
Jointly Controlled/entities and ventures	5,579.55	5,822.85
Key Management Personnel	-	-
Enterprises owned or significantly influenced by key management personnel or their relatives	-	-

i) Barasat – Krishnagar Expressways Limited

A subsidiary company entered into an agreement with National Highway Authority of India for undertaking the work of Four Lining of Barasat - Krishnagar Section of NH- 34 (km. 31.000 to km. 115.000) on Design, Build, Finance, Operation & Maintenance and Transfer (DBFOT-Annuity) basis, in the State of West Bengal. The construction work is delayed due to pending approvals and not handing over of Right of Way by NHAI to concessionaire. Hence the Company has terminated the Contract on 31st December, 2015 as NHAI was not able to provide ROW. Both company and NHAI appointed arbitrators and the arbitration proceedings are in progress with 'Society for Affordable Redressal of Disputes' (SAROD).

The borrowings from secured lenders have been declared as NPA by the lenders and no interest has been provided for on the borrowings from institutions.

Cost incurred on the project up to 31-3-2024 at Rs.5,82,52,97,106/- instead of writing-off to profit & loss have been accounted as NHAI Claims receivable under the head "Other Current Financial Assets" which is in contravention of the provisions of Indian accounting standard Ind AS 37. This has resulted in over-statement of Current Assets and understatement of loss for the year accordingly and Cumulative loss to that extent.

M/s State Bank of India has filed petition U/s 7 of IBC 2016, against the Company at the Hon'ble NCLT, Hyderabad Bench. The Hon'ble NCLT, Hyderabad Bench passed the order by admitting the petition and appointed Interim Resolution Professional. In this regard Company has approached the Hon'ble NCLAT, seeking relief and the Hon'ble NCLAT has given stay on COC proceedings till 26-06-2024.

ii) Ranchi Expressways Limited,

A subsidiary company entered into an agreement with National Highway Authority of India for undertaking the work of Four Lining of Ranchi-Rangoan-Jamshedpur section of NH-33 from KM 114.00 to Km 277.500 in the state of Jharkand on annuity basis. The company has achieved physical progress of 50.24% as certified by IE and unmeasured progress of about 10% in respect of works in progress.

NHAI terminated the Concession Agreement on 30/01/2019 without following the termination procedure laid down in the Concession Agreement. Since project got terminated, the company has initiated arbitration clause and arbitration proceedings commenced. The loans taken financial institutions became NPAs and interest on these loans have not been provided for.

CBI has filed FIR against the Company, Promoters and Directors on 12/03/2019. CBI is collecting information and investigation is going on. Subsequently ED raided the premises of the company on 11-06-2021 and the ED investigation is going on.



Madhucan Projects Limited

Notes forming part of Consolidated Financial Statements

Banker, the State Bank of India which Disbursed Loans to the Ranchi Express Ways Ltd has filed a petition under IBC Code, 2016 herewith referred as Financial Creditor with the National Company Law Tribunal (Hyderabad Bench-1). In the process, the honorable bench appointed IRP and declared the moratorium under section 14 of IBC Code on 22nd Dec 2023.

vii) Later, Kamma Srinivas Rao, director of the Company, filed an appeal against the order of NCLT (Hyderabad Bench – 1) with the National Company Law Appellate Tribunal – (Chennai Bench). As a result of this, Honourable NCLAT has deferred the impugned order given by NCLT for a period of two weeks from 29.01.24. Again NCLAT had passed the order dated 19.03.2024 directed to list the matter on 07.06.2024 which implied that interim order passed by the NCLAT dated 29.01.2024 shall continue.

iii) Madurai – Tuticorin Expressways Limited

During the year the NHAI has levied penalty amount of Rs.606.32 Crs for delay in to carry out the operation and periodic maintenance obligations in the project stretch. The company has commenced Periodic Maintenance works and its obligations however the NHAI has terminated the project on 17-03-2023 through termination notice issued.

The company has taken loans from different financial institutions. Now those loans became NPAs. Interest on these loans have not been provided for.

iv) Trichy – Thanjavir Expressways Limited

NHAI has levied penalty of Rs.144.36 Crs for delay in undertaking of Periodic maintenance works. The company has commenced Periodic Maintenance works. However the NHAI has terminated the project on 17-03-2023 through issue of termination notice.

M/s IDBI Bank Limited has filed petition U/s 7 of IBC 2016, against the Company at the Hon'ble NCLT, Hyderabad Bench - 1. The Hon'ble NCLT, Hyderabad Bench – 1 passed the order by admitting the petition and appointed Interim Resolution Professional. In this regard Company has approached the Hon'ble NCLAT, Chennai seeking relief and the Hon'ble NCLAT has given stay on proceedings till 06-03-2024.

v) TN (DK) Expressways Limited

During the year the NHAI has levied penalty of Rs.261.01 Crs for delay in to carry out the operation undertaking of Periodic maintenance obligations in the project stretch. The company has commenced Periodic Maintenance works and completed the major portion of the Periodic maintenance works and its obligations as per the notice given.

The company has taken loans from different financial institutions. Now those loans became NPAs. Interest on these loans have not been provided for.

2.45 Segment Reporting

The details of primary segment information for the year ended March 31, 2024 and March 31, 2023 are given below:

The Group is currently focused on three business segments Construction, and Toll Collection

	(₹ In Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Segment Revenue		
Construction	95,250.26	90,335.68
Energy		
Toll Highways	21,125.02	25,928.08
Others		
Less : Inter Segment Revenue		(33.30)
Total	116,375.27	1,16,230.46



Madhucon Projects Limited
Notes forming part of Consolidated Financial Statements

Segment Results before Interest and Taxes		
Construction	(1,893.79)	11,886.92
Energy		-
Toll Highways	(1,049.28)	(26,889.01)
Others	(0.33)	-
Total	(2,943.40)	(15,002.09)
Less : Interest Expenses	4,142.37	4,712.18
Profit Before Tax	(7,085.77)	(19,714.27)
Segment Assets*		
Construction	1,52,329.75	77,388.87
Energy		-
Toll Highways	4,72,299.11	3,53,794.56
Others	11,450.44	8,734.30
Less : Inter Segment Elimination	(2,20,460.79)	(33,575.44)
	4,15,618.51	4,06,342.29
Segment Liabilities**		
Construction	2,25,457.13	2,46,345.78
Energy		-
Toll Highways	5,01,999.86	5,05,285.01
Others	3,234.84	3,242.41
Less : Inter Segment Elimination	(1,10,652.06)	(108,180.85)
	6,20,039.77	6,46,692.35

* Segment Assets excludes current and non-current investments, deferred tax assets

** Segment Liabilities excludes deferred tax liabilities

2.46 Some of the Bank Accounts in Holding Company at closed projects which are in dormant and have not been reconciled due to non-availability of statements

2.47 Figures for the previous year have been regrouped/re-classified to conform to the figures of the current year.

In terms of our report attached

For P.Murali & Co.
Chartered Accountants
FRN : 007257S

For and on behalf of the Board

A.Krishna Rao
Partner
Membership Number 020085
UDIN : 24020085BKAUHN7488

N. Seethaiah
Managing Director
DIN: 00784491

Mohammad Shafi
Jt Managing Director
DIN: 07178265

J. Samba siva Rao
Director (F & A)
DIN: 09526475

Place : Hyderabad
Date : May 18, 2024

K. Venkateswarlu
Director cum CFO
DIN: 09713108

D. Malla Reddy
Company Secretary
ACS: 9559



MADHUCON PROJECTS LIMITED

CIN: L74210TG1990PLC11114

Reg off: Madhucon Complex, 1-7-70, Jublipura, Khammam - 507002
Tel: 040-235569001, Fax: 040-23556005, Website: www.madhucon.com

I/We hereby record my/our presence at the 34th annual general meeting of the company being held on 27th September, 2024 at 3:00 P.M. at its registered office.

Member Folio/DP ID- Client ID No. Member /Proxy's name in Block Letters Signature of Member/Proxy

Regd. Folio/ Client ID:

*Applicable for members holding share in Electronic Form.

Note to be signed and handed over at the entrance of the Meeting Venue



MADHUCON PROJECTS LIMITED

CIN: L74210TG1990PLC11114

Reg off: Madhucon Complex, 1-7-70, Jublipura, Khammam - 507002
Tel: 040-235569001, Fax: 040-23556005, Website: www.madhucon.com

**FORM NO.MGT-11
PROXY FORM**

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

Name of the Member(s):	Folio No/client id:
Registered Address:	
E-mail id:	DP id:

I/we, being the member (s) ofshares of the above names Company hereby appoint:

- Name : E-mail id:
Address:
signatureOr falling him.
- Name :E-mail id:
Address:
signatureOr falling him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, be held on Friday, the 27th day of September, 2024 at 3:00 P.M. at Registered Office: Madhucon Complex, 1-7-70, Jublipura, Khammam – 507 002 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote**	
		For	Against
Ordinary Business			
1, Ordinary Resolution	To receive, consider and adopt Annual Accounts FY ended 31st March, 2024 a) The Audited Standalone Financial Statements of the Company in IND AS format for the financial year ended 31 st March, 2024 together with the Reports of the Board of Directors and Auditors' thereon; and b) The Audited Consolidated Financial Statements of the Company in IND AS format for the financial year ended 31 st March, 2024 together		

**MADHUCON PROJECTS LIMITED**

CIN: L74210TG1990PLC11114

Reg off: Madhucon Complex, 1-7-70, Jublipura, Khammam - 507002

Tel: 040-235569001, Fax: 040-23556005, Website: www.madhucon.com

	with the report of the Auditors' thereon		
2. Ordinary Resolution	To appoint a director in place of Mr. K. Venkateswarlu (DIN: 09713108), who retires by rotation and being eligible offers himself for re-appointment.		
Special Business			
3. Ordinary Resolution	Re-appointment ratification of Mr. Mohammad Shafi, (DIN: 07178285) as Joint Managing Director of the Company		
4. special Resolution	Ratification for continuation approval of Mr. Ramadas Kasarneni (DIN: 02182093) as a Non-Executive Independent Director of the Company beyond the Age of 75 (seventy five) years.		
5. Ordinary Resolution	To appoint and approve the remuneration of the Cost Auditor for the financial year ending on 31 st March, 2025.		
6. Ordinary Resolution	Approval for Non-Provision of the Interest on Working Capital Loans & Unsecured Loans of the Company.		

Signed..... day of 2024

Signature of the shareholder(s).....

Signature of the Proxy holder(s).....

affix one rupee stamp

Notes:

1. The proxy duly completed should be deposited at the Registered Office of the Company not less than 48 (forty eight) hours before the time fixed for holding the Meeting.
2. A proxy need not be a member of the Company.
3. A person can act as proxy on behalf of the members not exceeding 50 (Fifty) and holding in the aggregate not more than 10% (Ten percent) of the total share capital of the Company carrying voting rights. A member holding more than 10% (ten percent) of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. **This is only optional. Please put an '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.



Construction of New Broad Gauge Railway Line (9.105 km) including Railway Electrification, Signal & Telecommunication works and General Electrical Services between Chikkamagalur (Excl.) & Hadihalli (Incl.) stations in the South Western Railway zone.





www.madhucon.com



MADHUCON

MADHUCON

PROJECTS LIMITED

AN ISO-9001 : 2008 COMPANY

If undelivered please return to:

"Madhucon House", Road No. 36, Jubilee Hills, Hyderabad - 500 033, INDIA