Independent Auditor's Report
To the Members of M/s. Udayshivakumar Infra Limited
(Formerly Known as M/s Udayshivakumar Infra Private Limited)

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying special purpose financial statements of Udayshivakumar Infra Limited ("the Company"), which comprise the Balance Sheet as at September 30, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 September 30, 2022 and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 Standalone 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. –

Sr.No.	Key Audit Matter	Auditor's Response
1.	**Revenue Recognition:-** There are significant accounting judgements including estimation of costs to complete, determining the stage of completion and the timing of revenue recognition. The Company recognizes revenue and profit/loss on the basis of stage of completion	Our procedures included: • Testing of the design and implementation of controls involved for the determination of the estimates used as well as their operating effectiveness; • Testing the relevant information technology systems' access and change management

	based on the milestone approved by project authority. Cost contingencies are included in these estimates to take into account specific uncertain risks, or disputed claims against the Company, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the contract life and adjusted where appropriate.	controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard; • Testing a sample of contracts for appropriate identification of performance obligations; • For the sample selected, reviewing for change orders and the impact on the estimated costs to complete; • Engaging technical experts to review estimates of costs to complete for sample contracts; and • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.
2.	**Non-Current Trade Receivable** The Amount is outstanding from the customers for reimbursement of GST. In the earlier tax regime (before GST) the company use to charge 4% VAT on the amount of service provided and was successfully able to recover the same from the customers without any default/denial. After the introduction of GST, the rate of tax was changed to 12% w.e.f July, 2017. Company had entered into various contracts before July, 2017 in the pre-GST era. The work execution of these contracts was continued to be carried out the GST period, since the execution was taking a time period of 2 to 3 years. The Company while submitting the bills for the work done after the introduction of GST in July, 2017, started adding GST of 12% in the bill submitted for payment to the Government Departments but the Government Departments cleared only the basis amount of contract billed and did not paid the GST of 12% charged in the bills. However, there was no clear-cut instructions to the departments from the Government regarding the honouring the GST of 12% collected in the bills. So, the Government Departments started to hold the GST of 12% charged in the bills and were waiting for the instructions from the Government. The contractors' association looking to the injustice moved to honourable high court of Karnataka, now the case is pending before the Hon'ble High Court of Karnataka and there is bright chance of giving directions to the Government to pay GST on the works executed after the introduction of GST. Refer Note 5(a)	Our audit procedures related to the (1) Sustainability and Recoverability of Asset, (2) Requirement of ECL and (3), among others: We have reviewed the petition filed and understood the matter with the company and probability that the company will be able to recover the entire amount. We have also reviewed the judgement passed in the matter of Belgaum Smart City Ltd in which the GOI has reimbursed the 8% of the GST and matter is pending before the court for balance 4%.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard

Responsibilities of management and those charged with governance for the special purpose financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

For N B T and Co
Chartered Accountants
FRN: 140489W

Ashutosh Biyani
Digitally signed by Ashutosh Biyani
Date: 2022.12.14 16:58:27 +05'30'

Ashutosh Biyani
Partner
Membership No.: 165017
Place: Mumbai
Date: 14-12-2022
UDIN: 22165017BFKZJW4290

UDAYSHIVAKUMAR INFRA LIMITED
(Formerly name as UDAYSHIVAKUMAR INFRA PRIVATE LIMITED)
Regd. Office : 1924A/196, BANASHANKARI BADAVANE, NEAR NH-4 BYPASS, DAVANGER KARNATAKA -577005
CIN: U45309KA2019PLC130901 E-mail : shivakumardavangere1@gmail.com

BALANCE SHEET AS AT 30TH SEPTEMBER, 2022

All amounts in Lakhs, unless otherwise stated

Particulars	Note No.	As at 30 September 2022	As at 31 March 2022
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	2,151.40	2,556.16
(b) Investment property	4	1,198.53	1,198.53
(c) Financial assets			
(i)Trade receivables	5(a)	4,261.06	4,120.07
(ii)Other financial assets	5(d)	1,403.49	1,162.89
(d) Deferred tax assets (net)	6	72.93	67.62
Total non-current assets (A)		**9,087.40**	**9,105.26**
Current assets			
(a) Inventories	7	1,568.15	278.51
(b) Financial assets			
(i) Trade receivables	5(a)	2,078.74	3,676.37
(ii) Cash and cash equivalents	5(c)	1,860.68	1,524.15
(iii)Other financial assets	5(d)	106.40	-
(c) Other current assets	8	2,589.28	1,078.04
Total current assets (B)		**8,203.25**	**6,557.07**
TOTAL ASSETS (A+B)		**17,290.64**	**15,662.33**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9(a)	3,650.00	3,650.00
(b) Other equity	9(b)	3,578.11	2,576.10
Total equity (A)		**7,228.11**	**6,226.10**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	10(a)	451.17	557.12
(ii) Trade payables	10(c)	814.89	1,440.57
(ii) Other financial liabilities	10(b)	1,276.54	1,209.02
(b) Long term provisions	11	14.33	11.19
(c) Other non-current liabilities	13	344.42	-
Total non-current liabilities (B)		**2,901.36**	**3,217.90**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	10(a)	3,494.45	2,091.17
(ii) Trade payables	10(c)		
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,326.33	2,912.82
(iii) Other financial liabilities	10(b)	47.31	33.96
(b) Short term provisions	11	0.91	0.77
(c) Current tax liabilities	12	735.56	410.37
(d) Other current liabilities	13	556.63	769.24
Total current liabilities (C)		**7,161.18**	**6,218.33**
Total liabilities (D=B+C)		**10,062.53**	**9,436.23**
TOTAL EQUITY AND LIABILITIES (A+D)		**17,290.64**	**15,662.33**
Summary of significant accounting policies	1-2		

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

As per our report of even date
For N B T and Co
Chartered Accountants
Firm Registration Number: 140489W

Ashutosh Biyani Digitally signed by Ashutosh Biyani Date: 2022.12.14 16:59:20 +05'30'

Ashutosh Biyani
Partner
M.No. - 165017
Date - 14-12-2022
Place: Mumbai

Udayshivakumar Infra Ltd. DAVANGERE

For and on behalf of the Board of Director's
Udayshivakumar Infra Limited

Mr.Udayshivakumar Rajanna
Managing Director
DIN: 05326601

Mrs. Amrutha Udashivakumar
Director
DIN: 07774973

Sanjeevani Shivaji Redekar
Company Secretary
PAN - BHQPR3860M

Sheetalkumar Mohanrao Kodachawad
Chief Financial Officer
PAN - BATPK6578F

UDAYSHIVAKUMAR INFRA LIMITED
(Formerly name as UDAYSHIVAKUMAR INFRA PRIVATE LIMITED)
Regd. Office : 1924A/196, BANASHANKARI BADAVANE, NEAR NH-4 BYPASS, DAVANGER KARNATAKA -577005
CIN: U45309KA2019PLC130901 E-mail : shivakumardavangere1@gmail.com

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022

All amounts in Lakhs, unless otherwise stated

Particulars	Note	For the period ended 30 September 2022	For the year ended 31 March 2022
I. Income			
Revenue from operations	14	10,661.24	18,562.92
Other income	15	53.14	75.89
Total Income		**10,714.38**	**18,638.81**
II. Expenses			
Cost of materials consumed	16	3,173.98	3,530.87
Changes in inventory of work in progress	17	(1,372.98)	-
Construction and Operating expense	18	6,112.72	11,825.18
Employee benefits expense	19	170.28	373.37
Finance costs	20	155.38	347.90
Depreciation and amortisation expenses	21	253.89	539.63
Other expenses	22	899.31	390.44
Total expenses		**9,392.58**	**17,007.40**
III. Profit before tax (I - II)		**1,321.81**	**1,631.41**
IV. Tax expense:			
(1) Current tax	23	325.16	410.59
(2) Deferred tax Asset/Liability	6	(5.31)	(16.47)
(3) Earlier years tax		-	-
V. Profit for the year (III-IV)		**1,001.95**	**1,237.29**
VI. Other comprehensive income			
Remeasurements of defined benefit liability/(asset)		0.08	(0.89)
Tax impact of above		(0.02)	0.22
VII. Total comprehensive income for the year		**1,002.01**	**1,236.62**
VIII. Earning per equity share			
Basic and Diluted (Rs.)(Face Value of Rs 10 Each)	24	2.75	3.39

Summary of significant accounting policies 1-2
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For N B T and Co
Chartered Accountants
Firm Registration Number: 140489W

Ashutosh Biyani
Digitally signed by Ashutosh Biyani
Date: 2022.12.14 16:59:42 +05'30'

Ashutosh Biyani
Partner
M.No. - 165017
Date - 14-12-2022
Place: Mumbai

For and on behalf of the Board of Director's
Udayshivakumar Infra Limited

Udayshivakumar Infra Ltd. DAVANGERE

Mr.Udayshivakumar Rajanna
Managing Director
DIN: 05326601

Mrs. Amrutha Udashivakumar
Director
DIN: 07774973

Sanjeevani Shivaji Redekar
Company Secretary
PAN - BHQPR3860M

Sheetalkumar Mohanrao Kodachawad
Chief Financial Officer
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CIN: U45309KA2019PLC130901 E-mail : shivakumardavangere1@gmail.com

STATEMENT OF CASH FLOW FOR THE PERIOD ENDED 30TH SEPTEMBER, 2022

All amounts in Lakhs, unless otherwise stated

Particulars	For the period ended 30 September 2022	For the year ended 31 March 2022
Cash flow from operating activities		
Profit before tax	1,321.81	1,631.41
Depreciation	253.89	539.63
Finance costs	155.38	347.90
Interest income	(17.81)	(68.79)
Impairment loss on trade receivable	-	-
Provision for gratuity	3.36	11.08
Profit on sale of property, plant and equipment	(34.14)	
Change in operating assets and liabilities		
(Increase)/Decrease in trade receivables	1,456.64	679.72
(Increase)/Decrease in other current assets	(1,511.24)	47.77
(Increase)/Decrease in inventory	(1,289.64)	32.59
(Increase)/Decrease in financial assets	(347.00)	(161.88)
Increase/(Decrease) in financial liabilities	1,416.63	(201.72)
Increase/(Decrease) in provisions	-	-
Increase/(Decrease) in trade payables	(1,212.17)	78.70
Increase/(Decrease) in other liabilities	131.81	633.64
Cash generated from operations	327.51	3,570.06
Income taxes paid		371.41
Net cash inflow from operating activities	**327.51**	**3,198.65**
Cash flow from investing activities		
Sale of property, plant and equipment	208.00	-
Proceeds from other financial assets		
Interest received	17.81	68.79
Purchase of property, plant and equipment	(22.99)	(1,738.61)
Net cash flow from investing activities	**202.82**	**(1,669.81)**
Cash flows from financing activities		
Finance Cost	(155.38)	(347.90)
Proceeds/ (repayment) from non current borrowings	(105.95)	(181.80)
Proceeds/ (repayment) from other financial liabilities	67.52	
Net cash inflow (outflow) from financing activities	**(193.80)**	**(529.71)**
Net increase (decrease) in cash and cash equivalents	336.53	999.13
Cash and cash equivalents at the beginning of the year	1,524.15	525.02
Cash and cash equivalents at end of the year (Note 8)	**1,860.68**	**1,524.15**
Debt reconciliation statement in accordance with Ind AS 7		
Opening balance as at beginning of period		
Long term borrowings	557.12	738.92
Short term borrowings	2,091.17	2,321.31
Movements		
(a) Cash Flows		
Long term borrowings	(70.21)	(113.77)
Short term borrowings	1,475.51	(22.99)
(b) Non cash changes (effective rate of interest accrued, unpaid moratorium interest converted into borrowings, etc.)		
Long term borrowings	(24.57)	(68.03)
Short term borrowings	(93.80)	(207.15)
(c) Closing balance as at end of period		
Long term borrowings	462.34	557.12
Short term borrowings	3,472.88	2,091.17

Summary of significant accounting policies 1-2
The accompanying notes are an integral part of the financial statements.

Note:
i. All figures in bracket are outflow.
ii. The cash flow statement has been prepared under Indirect Method as per Ind AS 7 "Statement of Cash Flows."

As per our report of even date
For N B T and Co
Chartered Accountants
Firm Registration Number: 140489W

Ashutosh Biyani Digitally signed by Ashutosh Biyani Date: 2022.12.14 17:00:00 +05'30'

Ashutosh Biyani
Partner
M.No. - 165017
Date - 14-12-2022
Place: Mumbai

Udayshivakumar Infra Ltd. DAVANGERE

For and on behalf of the Board of Director's
Udayshivakumar Infra Limited

Mr.Udayshivakumar Rajanna	Mrs. Amrutha Udashivakumar
Managing Director	Director
DIN: 05326601	DIN: 07774973
Sanjeevani Shivaji Redekar	Sheetalkumar Mohanrao Kodachawad
Company Secretary	Chief Financial Officer
PAN - BHQPR3860M	PAN - BATPK6578F

UDAYSHIVAKUMAR INFRA LIMITED
Statement of changes in equity for the period ended 30 September 2022
(Amount in Lakhs unless otherwise stated)

(A) Equity share capital

Particulars	As at 30 September 2022	As at 31 March 2022
Balance at the beginning of the period	3,650.00	3,650.00
Changes in Equity Share Capital during the period	-	-
Balance at the end of the period	**3,650.00**	**3,650.00**

(B) Other equity

Particulars	Reserve and surplus	
	Retained earnings	Total
Balance as at 1 April 2021	1,339.48	**1,339.48**
Changes during the year		
Profit/Loss for the year	1,237.29	**1,237.29**
Remeasurement of defined benefit plans (net of tax)	(0.66)	**(0.66)**
Total comprehensive income for the year	**1,236.62**	**1,236.62**
Cash dividends	-	-
Dividend distribution tax	-	-
Balance as at 31 March 2022	**2,576.10**	**2,576.10**
Balance as at 1 April 2022	2,576.10	2,576.10
Changes during the year		
Profit/Loss for the year	1,001.95	**1,001.95**
Remeasurement of defined benefit plans (net of tax)	0.06	0.06
Total comprehensive income for the year	**1,002.01**	**1,002.01**
Cash dividends	-	-
Dividend distribution tax	-	-
Balance as at 30 September 2022	**3,578.11**	**3,578.11**

Summary of significant accounting policies 1-2
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For N B T and Co
Chartered Accountants
Firm Registration Number: 140489W

Ashutosh Biyani
Partner
M.No. - 165017
Date - 14-12-2022
Place: Mumbai

For and on behalf of the Board of Director's
Udayshivakumar Infra Limited

Mr.Udayshivakumar Rajanna
Managing Director
DIN: 05326601

Mrs. Amrutha Udashivakumar
Director
DIN: 07774973

Sanjeevani Shivaji Redekar
Company Secretary
PAN - BHQPR3860M

Sheetalkumar Mohanrao Kodachawad
Chief Financial Officer
PAN - BATPK6578F

Udayshivakumar Infra Ltd.
DAVANGERE

UDAYSHIVAKUMAR INFRA LIMITED
Notes forming part of the Financial Statements for the Period ended 30 September 2022
(Amount in Lakhs unless otherwise stated)

1.0 Corporate Information

The company has incorporated on 23/12/2019 in the state of Karnataka and registered with The Registrar of Companies, Karnataka Bengaluru under CIN U45309KA2019PTC130901. The Company is engaged in business of Civil Construction works from State Government, Central Government and Government Civic Bodies and Corporations. The Company is incorporated under Part -I of Chapter XXI of the Companies Act, 2013 by converting of M/s. Udayshivakumar ("Eastwhile Partnership Firm) into private limited companay and all assets, liabilities, obligations, licenses, permissions etc. of the firm have become the assets, liabilities, obligations, licenses, permissions etc. of the company and all assets, liabilities, obligations, licenses, permissions etc. of the firm are vested with the company.

2.0 Statement of Significant Accounting Policies

2.1 Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (referred as Ind AS) as prescribed under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, as amended from time to time.

2.2 Basis of preparation and presentation

Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid for transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fairvalue but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

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

Level 1: Input are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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

Level 3: Inputs are unobservable inputs for the asset or liability.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Figures are reported in Lakhs and hence the figures are rounded off to nearest lakhs wherever required.

2.3 Use of Estimates & Judgements

1. The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period.

Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.4 Basis of classifications of current and non-current

All the assets and liabilities have been classified as current or non-current in the balance sheet.

An asset has been classified as current if (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is expected to be realized within twelve months after the reporting date; or (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets have been classified as noncurrent.

A liability has been classified as current when (a) it is expected to be settled in the Company's normal operating cycle; or (b) it is held primarily for the purpose of being traded; or (c) it is due to be settled within twelve months after the reporting date; or (d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. All other liabilities have been classified as non current.

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

2.5 Functional and presentation currency

These Ind AS Financial Statements are prepared in Indian Rupee which is the Company's functional and presentation currency.

2.6 Recent Accounting Pronouncements

Recent accounting pronouncements Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

i Ind AS 16 – Property Plant and equipment-The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022.

ii Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets–The amendment specifies that the cost of fulfilling a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted.

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2.7 Revenue Recognition

Company mainly derives business from executing construction projects and supply of construction marerial and other inherent services.

Effective April 01, 2020, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 01, 2020. In accordance with the cumulative catchup transition method, the comparatives have not been retrospectively adjusted. The following is a summary of new and/or revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

IND AS 115 lays down five step model for revenue recognition which is as follows:

i 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.

ii 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.

iii Determine 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.

iv 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.

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

A Engineering Segment

The Revenue recognition is based on the stage of work completed and matching expenses incurred in relation to the stage of work completed. The company is submitting the running bills to the extent of work completed which has to be approved by the Government Department. After approval of the measurement of work claimed to completed in the running bill the Government agrees to make payment. Hence, company is raising Invoice on receiving of the approval for the running bills and release of payment by the Government against the acceptance of stage of work (work progress) as claimed in the running bills.

i Sale of Goods or services

In case of sale of goods performance obligation is satisfied when control is transferred to customer and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied.

In case of sale of service performance obligation is satisfied when work is executed, customer approves the work performed and recoverability of amount is probable. Transaction price is same as invoice value excluding taxes. Revenue is recognized as and when performance obligation is satisfied.

The company accounts for discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of the discounts/ incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/ incentive. Such situation generally does not arise in company.

ii Trade receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue.

A receivable is a right to consideration that is unconditional upon passage of time. Revenue for time and material contracts are recognized as related service are performed. Revenue for fixed price maintenance contracts is recognized on a straight line basis over the period of the contract. Revenues in excess of billings is recorded as unbilled revenue and is classified as a financial asset for these cases as right to consideration is unconditional upon passage of time.

Invoicing in excess of earnings is classified as unearned revenue.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

iii Income from toll contracts

The income from Toll Contracts are recognised on actual collection of toll revenue (net of revenue share payable to NHAI) as per Concession Agreement. Revenue from electronic toll collection is recognised on receipt basis.

2.8 Other Income

i Interest Income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, 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.

2.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

The Company determines the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred on that borrowing during the period less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalization are determined by applying a capitalization rate to the expenditures on that asset.

The Company suspends capitalization of borrowing costs during extended periods in which it suspends active development of a qualifying asset.

2.10 Retirement and other employee benefits

A. Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc., and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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B. Defined Contribution plans

(a) Payment to defined contribution retirement benefit plans are recognized as an expense when employees, as certified by board of directors have rendered service entitling them to the contributions.

(b) Provident fund of the Company is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

(c) Pension Fund of the Company is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid.

C. Defined Benefit Obligation Plans

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of INR 20,00,000/-.

The Company is intended to set up the mechenism to take the actuarial valuation of its gratuity liability as required by IND AS 19 "Employee Benefits" and hence the overall impact of the same can not be assessed as of now.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and such re-measurement gain / (loss) are not reclassified to the statement of profit and loss in the subsequent periods. They are included in retained earnings in the statement of changes in equity.

2.11 TAXATION

Tax expense comprises of current tax, deferred tax and Dividend Tax which are described as follows -:

Current tax is measured after providing deductions under chapter VI A of Income Tax Act, 1961 and making adjustments of ICDS prescribed under Income Tax Act, 1961 at the amount expected to be paid to the tax authorities, using the applicable tax rates. Current tax is calculated using tax rates that have been enacted or substantively enacted

by the end of reporting period. Current Tax is generally charged to profit & loss except when they relate to items which are recognized in other comprehensive income or equity.

(b) Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred Tax is generally charged to profit & loss except when they relate to items which are recognized in other comprehensive income or equity.

Deferred tax asset and deferred tax liabilities are off-set if a legally enforceable right exist to set-off current tax asset against current tax liabilities and the deferred taxes relates to the same taxable entity and the same taxation authority.

2.12 Property, Plant and Equipment

a. Property, Plant and Equipment is recognized when it is probable that future economic benefits associated with the items will flow to the company and the cost of the item can be measured reliably.

The cost of Property Plant & Equipment comprises its purchase price net of any trade discounts and rebates, any import duty and other taxes any directly attributable expenditure on making the asset ready for its intended use including relevant borrowing cost for qualifying asset. Expenditure incurred after Property Plant & Equipment have been put into operation such as repair & maintenance are charged to the statement of Profit & Loss in the year in which the costs are incurred, Major shutdown and overhaul expenditure are capitalized as the activities undertaken improves the economic benefit expected to arise from the assets.

Assets in the course of construction are capitalized in the assets under construction account. At the point when the asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of the PROPERTY, PLANT & EQUIPMENT and depreciation commences. Cost associated with the commissioning of the asset and any obligatory decommissioning costs are capitalized where the asset is available for use but incapable of operating at normal levels until a year of commissioning has been completed. Revenue generated from production during the trial period capitalized

Capital subsidy received against specific assets is reduced from the value of relevant PROPERTY, PLANT & EQUIPMENT.

Free hold land is carried at historical cost and treated as Investment Property.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost. Otherwise, such items are classified as inventories.

An item of PROPERTY, PLANT & EQUIPMENT is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PROPERTY, PLANT & EQUIPMENT is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in statement of profit & loss.

Depreciation and estimates

Depreciable amount for assets is the cost of an asset, or other amount substituted for costs, less its estimated residual value. Depreciation is recognized so as to write off the cost of asset(other than free hold land and lease hold land having 99 years of lease and properties under construction) less their residual values (after considering the restoration cost) over their useful lives using Written down value method as prescribed in schedule II of companies act, 2013.

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2.13 Impairment of Property, Plant &Equipments and Intangible Assets

At the end of each reporting year, the company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets are suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any). Where it is not possible to estimate the recoverable amount of the individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating unit or otherwise they are allocated to the smallest group of cash-generating unit for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use the estimated future cash flow are discounted to their present value using pretax discount rate that reflects current market assessment if the time value of money and the risk specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognized in the Statement of Profit and Loss whenever the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. A previously recognized impairment loss is increased or reversed depending on changes in circumstances.

However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

2.14 Inventories

Inventories are stated at the lower of cost or net realizable value, details as follows:-

(a)	Raw Material, stores & spares, Components, construction material.	Cost includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition.
(b)	Process Stocks and finished goods	Cost for this purpose includes direct material cost, labor cost plus appropriate share of manufacturing overheads allocated on absorption cost basis. (excluding borrowing cost)
(c)	Work in Progress Stock	Eligible expenses incurred are capitalized and shown as inventory as Work in Progress.

Costs of inventories are determined on FIFO basis. Net realizable value is estimated selling price in the ordinary course of business.

Goods in transit are stated at actual cost and freight if any.

2.15 Provisions, contingent liabilities & Assets

A Provision is recognized when an enterprise has a present obligation as a result of past event, it is probable that an outflow of resources will be required to settled the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not disclosed to its present value and are determined based on best management estimate taking into account the risks and uncertainties surrounding the obligation required to settle the obligation at the balance sheet date.

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

A contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation.

A contingent asset is a possible asset that arises from past events the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise.

Contingent liabilities and assets are not recognized but are disclosed in the notes.

2.16 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial Assets:

(a) Classification: The Company classifies its financial assets in the following measurement categories:

-those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

-those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(b) Initial Recognition: Financial assets are recognised initially at fair value considering the concept of materiality. Transaction costs that are directly attributable to the acquisition of the financial asset (other than financial assets at fair value through profit or loss) are added to the fair value measured on initial recognition of financial assets.

(c) Subsequent Measurement of Financial Assets: Financial assets are subsequently measured at amortized cost if they are held within a business whose objective is to hold these assets 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 at fair value through other comprehensive income (FVTOCI): Financial assets are subsequently measured at fair value through other comprehensive income (FVTOCI), if it is held within a business model whose objective is achieved by both from collection of contractual cash flows and selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Further equity instruments where the Company has made an irrevocable election based on its business model, to classify as instruments measured at FVTOCI, are measured subsequently at fair value through other comprehensive income.

(d) Impairment of Financial Assets: The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(e) Derecognition of financial assets: A financial asset is primarily derecognised when:

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

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

Financial Liabilities:

(a) Classification: The Company classifies its financial liabilities in the following measurement categories:
- Those to be measured subsequently at fair value through profit or loss, and
- Those measured at amortized cost using the effective interest method. The classification depends on the entity's business model for managing the financial liabilities and the contractual terms of the cash flows.

(b) Initial Recognition: Financial liabilities are recognized at fair value on initial recognition considering the concept of materiality. Transaction costs that are directly attributable to the issue of financial liabilities that are not at fair value through profit or loss are reduced from the fair value on initial recognition.

(c) Subsequent Measurement of Financial Liabilities: The measurement of financial liabilities depends on their classification, as described below:
Amortised cost: After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

(d) Derecognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of Financial Instruments

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.17 Fair Value Measurement

The Company measures financial instruments, such as, equity instruments at fair value at each reporting date.

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

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

- Level 1 - Quoted (unadjusted) market 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 recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operation.

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

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

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.

This note summaries accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.18 Non-Current Asset held for Sale and discontinued operations

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale is regarded met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned.

Non-current assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:
- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

Discontinued operations are excluded from the results of continuing operations and are presented as profit or loss before / after tax from discontinued operations in the statement of profit and loss.

2.19 Cash and Cash equivalents

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

2.20 Earnings per Share

a. Basic EPS

Basic EPS is calculated by dividing the profit attributable to shareholders by the weighted average number of shares outstanding during financial year adjusted for bonus elements in the equity shares issued during the year.

b. Diluted EPS

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

2.21 Segment Information

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

The Company is engaged in "Road Infrastructure Projects" which in the context of Ind AS 108 - Operating Segments is considered as the only segment. The Company's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

2.22 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 financial statements:

i 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.

ii Additional disclosure for shareholding of promoters

iii Additional disclosure for ageing schedule of trade receivables, trade payables and capital work-in-progress.

2.23 Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

Key sources of estimation uncertainty

i) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

ii) Impairment of property plant and equipment

Determining whether the property, plant and equipment are impaired requires an estimate in the value in use of plant and equipment. The value in use calculation requires the Management to estimate the future cash flows expected to arise from the property, plant and equipment and a suitable discount rate in order to calculate present value. When the actual cash flows are less than expected, a material impairment loss may arise.

iii) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgment to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iv) Impairment of investments in joint ventures and associate

Determining whether the investments in joint ventures and associate are impaired requires an estimate in the value in use of investments. In considering the value in use, the Management have anticipated the future commodity prices, capacity utilization of plants, operating margins, and availability of infrastructure, discount rates and other factors of the underlying businesses / operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

v) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallizing or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

vi) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as liquidity risk, credit risk and volatility.

vii) Taxes

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

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Notes forming part of the Financial Statements for the period ended 30 September 2022
(Amount in Lakhs unless otherwise stated)

3 Property, plant and equipment

Particulars	Land and buildings	Machinery	Motor vehicle	Computer and peripherals	Furniture and fixtures	Office equipment	Total
Cost/Deemed Cost							
As at 1 April, 2021	2.84	1,837.14	1,390.64	10.13	4.50	-	3,245.25
Additions	-	164.93	373.45	1.47	-	0.23	540.08
Disposals	-	-	-	-	-	-	-
As at 31 March, 2022	2.84	2,002.07	1,764.09	11.60	4.50	0.23	3,785.33
Additions	-	20.78	-	2.21	-	-	22.99
Disposals	-	172.96	188.26	-	-	-	361.23
As at 30 September, 2022	2.84	1,849.88	1,575.83	13.81	4.50	0.23	3,447.09
Accumulated Depreciation and Impairment							
As at 1 April, 2021	2.68	301.39	379.13	6.08	0.56	-	689.84
Depreciation	-	262.93	272.03	3.85	0.48	0.04	539.33
Disposals	-	-	-	-	-	-	-
As at 31 March, 2022	2.68	564.32	651.16	9.93	1.04	0.04	1,229.17
Depreciation	-	122.02	130.59	1.02	0.24	0.02	253.89
Disposals	-	72.28	115.08	-	-	-	187.37
As at 30 September, 2022	2.68	614.05	666.67	10.95	1.28	0.07	1,295.69
Carrying Value							
As at 30 September, 2022	0.16	1,235.84	909.16	2.86	3.22	0.16	2,151.40
As at 31 March, 2022	0.16	1,437.75	1,112.93	1.67	3.46	0.19	2,556.16

Notes:

1. Title Deeds of Immovable Property not held in the Name of Company.

Particular	Relevant Line Item in Balance Sheet	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether the title deed holder is a promoter, director or relative/employee of promoter/director	Property held since which date	Reason for not being held in the name of company
There is no immovable property whose title deeds are not held other than in the name of the company therefore not applicable.							

2. Benami Property
There is no Proceeding initiated or Pending against the company for holding any became property under Benami Transaction (Prohibition) Act 1988.

Udayshivakumar Infra Ltd. DAVANGERE

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Notes forming part of the Financial Statements for the period ended 30 September 2022
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4 Investment Property

Particulars	Land
Cost/Deemed Cost	
As at 1 April, 2021	1,198.53
Additions	-
Disposals	-
As at 31 March, 2022	1,198.53
Additions	-
Disposals	-
As at 30 September, 2022	1,198.53
Accumulated Depreciation and Impairment	
As at 1 April, 2021	-
Depreciation	-
Disposals	-
As at 31 March, 2022	-
Depreciation	-
Disposals	-
As at 30 September, 2022	-
Carrying Value	
As at 30 September, 2022	**1,198.53**
As at 31 March, 2022	**1,198.53**

Notes:

1.Title Deeds of Immovable Property not held in the Name of Company.

Particular	Relevant Line Item in Balance Sheet	Description of Item of Property	Gross Carrying Value	Title Deeds held in the name of	Whether the title deed holder is a promoter, director or relative/employee of promoter/director	Property held since which date	Reason for not being held in the name of company

There is no immovable property whose title deeds are not held other than in the name of the company therefore not applicable.

2.Benami Property

There is no Proceeding initiated or Pending against the company for holding any became property under Benami Transaction (Prohibition) Act 1988.

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5 FINANCIAL ASSETS

5(a) Trade receivables

Particulars	As at 30 September 2022		As at 31 March 2022	
	Current	Non Current	Current	Non Current
Trade receivables considered good - secured	-	-	-	-
Trade receivables considered good - unsecured*	2,078.74	4,261.06	3,676.37	4,120.07
Trade receivables which have significant increase in credit risk	-	-	-	-
Trade receivables - credit impaired	-	-	-	-
Doubtful	-	-	-	-
Total	2,078.74	4,261.06	3,676.37	4,120.07
Less : Loss Allowance	-	-	-	-
Total trade receivables	2,078.74	4,261.06	3,676.37	4,120.07
Further classified as:				
Receivable from related parties	-	-	-	-
Receivable from others	2,078.74	4,261.06	3,676.37	4,120.07
Total	**2,078.74**	**4,261.06**	**3,676.37**	**4,120.07**

The non-current and current classification is carried out based on the expected realisation date.

* The amount is outstanding from the customers for reimbursement of GST. In the earlier tax regime (before GST) the company used to charge 4% VAT on the amount of service provided and was successfully able to recover the same from the customers without any default/denial. After the introduction of GST the rate of tax was changed to 12% w.e.f July, 2017. Company had entered into various contracts before July, 2017 in the pre-GST era. The work execution of these contracts continued to be carried out in the GST period, since the execution was taking a time period of 2 to 3 years. The Company while submitting the bills for the work done after the introduction of GST in July, 2017, started adding GST of 12% in the bill submitted for payment to the Government Departments But the Government Departments cleared only the basis amount of contract billed and did not paid the GST of 12% charged in the bills. However, there was no policy in the departments from the Government regarding the honouring the GST of 12% collected in the bills. The Government departments started to hold the GST of 12% charged in the bills and were waiting for the instructions from the Government. The contractors' association looking into the injustice moved to honorable Hon'ble High Court of Karnataka, now the case is pending before the Hon'ble High Court of Karnataka.

Notes:

Trade receivables have been given as Primary security towards borrowings

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the fact that the customer base is large and mostly unrelated.

In every payments of running bill, project authority deduct retention amount which is either released by submitting bank guarantee or released after successful completion of project. This retention amount keeps accumulating. Collection of retention money is probable and therefore debtors on account of retention money are considered good. refer note no 32.

Trade Receivable ageing schedule

Particulars	Not due	Outstanding for following periods from due date of payment					Total
As at30 September 2022		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	-	1,246.90	831.85	1,148.88	828.18	2,284.00	6,339.80
(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	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-

Particulars	Not due	Outstanding for following periods from due date of payment					Total
As at31 March 2022		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	-	2,434.43	1,241.94	682.86	1,067.29	2,369.92	7,796.44
(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	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	-

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6 Deferred tax assets (Net)

Particulars	As at 30 September 2022	As at 31 March 2022
Timing difference between balance as per Income Tax Act, 1961 and book balance for fixed assets	72.93	67.62
Total deferred tax assets	72.93	67.62
Timing difference between balance as per Income Tax Act, 1961 and book balance for fixed assets	-	-
Others	-	-
Total deferred tax liabilities	-	-
Net deferred tax assets	72.93	67.62

Movement in deferred tax assets

Particulars	As at 1 April 2022	(Charged)/Credited to profit and loss	(Charged)/Credited to OCI	As at 30 September 2022
Timing difference between balance as per Income Tax Act, 1961 and book balance for fixed assets	67.62	5.31	-	72.93
Others	-	-	-	-
Total deferred tax assets	67.62	5.31	-	72.93

Particulars	As at 1 April 2021	(Charged)/Credited to profit and loss	(Charged)/Credited to OCI	As at 31 March 2022
Timing difference between balance as per Income Tax Act, 1961 and book balance for fixed assets	51.15	16.47	-	67.62
Others	-	-	-	-
Total deferred tax assets	51.15	16.47	-	67.62

Movement in deferred tax liabilities

Particulars	As at 1 April 2022	(Charged)/Credited to profit and loss	(Charged)/Credited to OCI	As at 30 September 2022
Timing difference between balance as per Income Tax Act, 1961 and book balance for fixed assets	-	-	-	-
Others	-	-	-	-
Total deferred tax liabilities	-	-	-	-

Particulars	As at 1 April 2021	(Charged)/Credited to profit and loss	(Charged)/Credited to OCI	As at 31 March 2022
Timing difference between balance as per Income Tax Act, 1961 and book balance for fixed assets	-	-	-	-
Others	-	-	-	-
Total deferred tax liabilities	-	-	-	-

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5(c) Cash and cash equivalents

Particulars	As at 30 September 2022	As at 31 March 2022
Balances with banks		
- in current accounts	1820.00	1438.94
Cash on hand	40.68	85.21
Total cash and cash equivalents	**1860.68**	**1524.15**

5(d) Other Financial Assets

Particulars	As at 30 September 2022		As at 31 March 2022	
	Current	Non Current	Current	Non Current
Security Deposits	100.94	1,403.49	-	1,162.89
Loans & Advances	5.45	-	-	-
Total other financial assets	**106.40**	**1,403.49**	**-**	**1,162.89**

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7 Inventories

Particulars	As at 30 September 2022	As at 31 March 2022
Stock of Materials	195.17	278.51
(Valued at lower of cost or net realisable value)		
Work in Progress	1,372.98	-
(As certified by the management)		
Total Inventories	**1,568.15**	**278.51**

8 Other current assets

Particulars	As at 30 September 2022	As at 31 March 2022
Advance to suppliers		
-to others	1,302.40	325.41
-to related parties	136.57	30.27
Balance with Government authorities	952.26	695.97
Prepaid Expenses	97.71	26.38
Unamortised IPO Expense	100.33	-
Total other current assets	**2,589.28**	**1,078.04**

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9 EQUITY SHARE CAPITAL AND OTHER EQUITY

9(a) Equity share capital

Authorised equity share capital

	As at September 30, 2022		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	56500000	5,650.00	36500000	3,650.00
Issued during the year	-	-	-	-
Total	56500000	5,650.00	36500000	3,650.00

Issued, subscribed and fully paid up Shares

	As at September 30, 2022		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Opening Balance	36500000	3,650.00	36500000	3,650.00
Increase during the year	-	-	-	-
Total	36500000	3,650.00	36500000	3,650.00

Reconciliation of number of equity shares :

	As at September 30, 2022	As at March 31, 2022
Face value per share (Rs.)	10.00	10.00
Number of Equity Shares outstanding at the beginning of the reporting period	36500000	36500000
No. of Equity Shares issued during the year	-	-
Total	36500000	36500000
Less : Deduction during the year	-	-
Number of Equity Shares outstanding at the end of the reporting period	36500000	36500000

Terms and rights attached to equity shares :

The company has only one class of shares referred to as the equity shares having face value of Rs. 10/- each . Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by the shareholders at the Annual General Meeting.

No shares have been reserved for issue on option.

No equity shares have been forfeited.

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

	As at 30 September 2022		As at 31 March 2022	
	Number of Shares	% Holding	Number of Shares	% Holding
Shri Udayshivakumar s/o Rajanna	36,127,000	98.98%	36,135,000	99.00%

(iii) Disclosure of Shareholding of Promoters

Name of the shareholder	As at 30 September 2022			As at 31 March 2022	
	Number of Shares	% of Total Share	% change during the period	Number of Shares	% of Total Share
Shri Udayshivakumar s/o Rajanna	36,127,000	98.98%	-0.02%	36,135,000	99.00%

(iv) Aggregate number of shares issued for consideration other than cash

	As at 30 September 2022	As at 31 March 2022
	Number of Shares	Number of Shares
Aggregate number of shares issued for consideration other than cash	-	-

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9(b) Reserves and surplus

Particulars	As at 30 September 2022	As at 31 March 2022
Retained Earnings	3,578.11	2,576.10
Total reserves and surplus	**3,578.11**	**2,576.10**

Retained Earnings

Particulars	As at 30 September 2022	As at 31 March 2022
Opening balance	2,576.10	1,339.48
Net profit for the year	1,001.95	1,237.29
Other Comprehensive Income	0.06	(0.66)
Total retained earnings	**3,578.11**	**2,576.10**

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10 FINANCIAL LIABILITIES

10(a) Borrowings

	As at September 30, 2022		As at March 31, 2022	
	Current	**Non Current**	**Current**	**Non Current**
Secured				
From Bank/ Financial Institution				
- Long term Borrowings	-	376.77	-	539.05
- Current maturity of long term borrowings	511.26	-	731.22	-
- Working capital facility	2,983.18	-	1,359.95	-
Unsecured				
- Loan/advance from director	-	74.40	-	18.06
Total	**3,494.45**	**451.17**	**2,091.17**	**557.12**

Notes:

Details of Borrowings

Particulars	As at September 30, 2022		As at March 31, 2022		**Details of Primary Security**	**Details of Collateral Security**
	Current	**Non Current**	**Current**	**Non Current**		
Term Loan (Secured)						
1 Axis Bank Car Loan	3.22	-	3.82	1.26	Hypothecation of Vehicle purchased against loan	-
2 Canara Bank Car Loan	5.21	5.34	4.90	8.69	Hypothecation of Vehicle purchased against loan	-
3 Daimler Financial Services India Pvt. Ltd. - 33 Veh	116.07	-	221.08	0.00	Hypothecation of Vehicle purchased against loan	-
4 Daimler Financial Services India Pvt. Ltd. 6-TM	61.42	110.83	58.41	142.32	Hypothecation of Vehicle purchased against loan	-
5 HDB Financial Services Ltd. Ajax No:6102445	3.76	-	7.45	-	Hypothecation of equipment purchased against loan	-
6 HDB Financial Services Ltd - Bolero Pickup Loan	1.08	-	3.15	-	Hypothecation of Vehicle purchased against loan	-
7 HDFC Bank Ltd. Loan - Benz TM-1	9.59	29.44	8.42	34.35	Hypothecation of Vehicle purchased against loan	-
8 HDFC Bank Ltd. Loan - Benz TM-2	9.59	29.44	8.42	34.35	Hypothecation of Vehicle purchased against loan	-
9 HDFC Bank Ltd. Loan - Benz TM-3	9.59	29.44	8.42	34.35	Hypothecation of Vehicle purchased against loan	-
10 HDFC Bank Ltd. Loan - BGM Pump	5.19	13.62	4.95	16.27	Hypothecation of equipment purchased against loan	-
11 HDFC Bank Ltd. Loan - Eicher -1	2.99	7.85	2.85	9.38	Hypothecation of Vehicle purchased against loan	-
12 HDFC Bank Ltd. Loan - Eicher -2	2.99	7.85	2.85	9.38	Hypothecation of Vehicle purchased against loan	-
13 HDFC Bank Ltd. Loan - Eicher -3	2.86	8.79	2.51	10.26	Hypothecation of Vehicle purchased against loan	-
14 HDFC Bank Ltd. Loan - Eicher -4	2.86	8.79	2.51	10.26	Hypothecation of Vehicle purchased against loan	-
15 HDFC Bank Ltd. Loan - Eicher -5	2.86	8.79	2.51	10.26	Hypothecation of Vehicle purchased against loan	-
16 HDFC Bank Ltd. Loan - Haveri Genset	2.89	7.60	2.76	9.08	Hypothecation of equipment purchased against loan	-
17 HDFC Bank Ltd. Loan - Haveri Pump	5.19	13.62	4.95	16.27	Hypothecation of equipment purchased against loan	-
18 HDFC Bank Ltd. Loan - Haveri RMC	19.01	45.85	18.14	55.58	Hypothecation of equipment purchased against loan	-
19 HDFC Bank Ltd. Loan - SMG Pump	4.95	15.19	4.34	17.72	Hypothecation of equipment purchased against loan	-
20 Hinduja Leyland Finance Ltd., RMC Pump	5.70	-	6.98	2.11	Hypothecation of equipment purchased against loan	-
21 Hinduja Leyland Finance Ltd. RMC -SMG	21.39	-	25.04	8.49	Hypothecation of equipment purchased against loan	-
22 Hinduja Leyland Finance Ltd. - Tippers	50.89	-	99.79	-	Hypothecation of Vehicle purchased against loan	-
23 Hinduja Leyland Finance Ltd. TM - 4 Nos.	36.15	-	45.56	12.82	Hypothecation of Vehicle purchased against loan	-
24 John Deere Financial India Pvt Ltd- Wirtgen Paver	107.84	28.87	102.42	84.15	Hypothecation of equipment purchased against loan	-
25 SBI Celerio Car No:37979247012	1.16	0.72	1.06	1.26	Hypothecation of Vehicle purchased against loan	-
26 SBI Hyndai Creta Car No:38363837614	2.88	4.73	2.75	6.25	Hypothecation of Vehicle purchased against loan	-
27 SREI Equipment Finance Ltd. Hamm, Aquaries: 162066	13.92	-	21.37	4.19	Hypothecation of equipment purchased against loan	-
28 SREI Equipment Finance Ltd-Wirtgen Paver No:147028	-	-	53.84	-	Hypothecation of equipment purchased against loan	-
	511.26	**376.77**	**731.22**	**539.05**		

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Cash Credit (Secured)						
1 SBI Bank Overdraft Facility- Working Capital	2,983.18	-	1,359.95	-	Hypothecation of entire stock of raw material, SIP, FG, Receivables, Book Debts and all other current assets of the company	1. Site No. 10, Sy No. 234/4, Door No. 369/10, Village Averegere, Mandal Kasaba Hobli, Davangere – 577004 2. Block No. 01, Sy No.36 of Nittuvalli, Door No. 485/1, 34th Ward, Opp HP Petrol Bunk, Davangere – 577003 3. Vacant Site No. 204/6, Sy No. 204/6, Shabanur Village, Banashankari Badavane, Davangere- 577005 4. Door No. 1924A/196, Survey No. 196/1b2 and 1b3, Banashankari Badavane, Shamanur, Davangere - 577005 5. Commercial Plot Sy No. 36, Block No. 6, Door No. 485/6, Hadadi Road, Taralabalu Badavane, Davangere – 577004 6. Site No's: 26, 27, 28, 29, 30, 31 and 32, Survey No. 265/1, Door No.'s 4010/26, 4010/27, 4010/28, 4010/29, 4010/30, 4010/31, 4010/32, Banashankari Layout Ward No. 26 Kunduwada, Village, Davanagere – 57005 7. Residential Plot bearing survey no. 228,16A-17G, Site Nos 29, 30, 31, 32, 33, 34, 35, 36, Door Nos 4117/29, 4117/30, 4117/31, 4117/32, 4117/33, 4117/34, 4117/35 4117/36 Usk Layout, Kunduwada, Davangere, Karnataka, 577566 8. Residential Plot bearing survey no. 228, Site No.312 and 334, Door No. 4117/312 and 4117/334, Usk layout near kunduwada, Davangere, Karnataka, 577566 9. Residential Plot bearing survey no. 228, Site No.19, 22 and 329, Door No. 19, 22 and 329, Usk layout, Kunduwada village , Davangere, Karnataka, 577566 10. Residential Plot bearing survey no. 228, Site No.21, Door No. 21, Usk layout, Kunduwada village, Davangere, Karnataka, 577566 11. Residential Plot bearing survey no. 228 and 227, Site No.01, 02, 03, 04, 05, 06, 61, 126, 127, 186, 187, 235, 236, 270, 271, 286, 287, 299, 300, 301, 311, 322, 328, 330, 331, 332, 333, 335, 336, 337, 341 and 343, Door No. 01, 02, 03, 04, 05, 06, 61, 126, 127, 186, 187, 235, 236, 270, 271, 286, 287, 299, 300, 301, 311, 322, 328, 330, 331, 332, 333, 335, 336, 337, 341 and 343, Usk layout, Kunduwada village, Davangere, Karnataka, 577566 12. Residential Plot bearing survey no. 226/9, Door No. 4132/81, Usk layout, Kunduwada village, Davangere, Karnataka, 577566 13. Residential Plot bearing survey no. 226/11, Door No. 4129/78, Usk layout, Kunduwada village, Davangere, Karnataka, 577566 14. Residential Plot bearing survey no. 226/10, Door No. 4233/83, Usk layout, Kunduwada village, Davangere, Karnataka, 577566 15. Residential Plot bearing survey no. 226/1, Door No. 4234/84, Usk layout, Kunduwada village, Davangere, Karnataka, 577566 16. Residential Plot bearing survey no. 228, Site No. 342, Door No. 4117/342, Usk layout, Kunduwada village, Davangere, Karnataka, 577566 17. Residential Plot bearing survey no. 226/12, Door No. 4130/79, Usk layout, Kunduwada village, Davangere, Karnataka, 577566 18. Residential Plot bearing survey no. 228, Door No. 4117/20, Usk layout, Kunduwada village, Davangere, Karnataka, 577566
	2,983.18	**-**	**1,359.95**	**-**		

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10(b) Other financial liabilities

	As at September 30, 2022		As at March 31, 2022	
	Current	Non Current	Current	Non Current
Interest payable on borrowings	-	-	-	-
Employee liabilities	-	-	0.60	-
Other financial liabilities	47.31	-	33.36	-
Security deposits	-	1,276.54	-	1,209.02
Total other financial liabilities	**47.31**	**1,276.54**	**33.96**	**1,209.02**

10(c) Trade payables

Particulars	As at September 30, 2022		As at March 31, 2022	
	Current	Non Current	Current	Non Current
Non-current				
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,326.33	814.89	2,912.82	1,440.57
Total trade payables	**2,326.33**	**814.89**	**2,912.82**	**1,440.57**
Further classified as:				
Payable to related parties	32.17	-	0.34	-
Payable to others	2,294.16	814.89	2,912.48	1,440.57
Total	**2,326.33**	**814.89**	**2,912.82**	**1,440.57**

Trade Payables ageing schedule

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
As at 30 September, 2022						
(i) MSME		-	-	-	-	-
(ii) Others		2,326.33	187.16	156.03	471.69	3,141.22
(iii) Disputed dues - MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-
(v) Unbilled dues shall bdisclosed separately		-	-	-	-	-
Total		2,326.33	187.16	156.03	471.69	3,141.22

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 years	2-3 years	More than 3 years	
As at 31 March, 2022						
(i) MSME		-	-	-	-	-
(ii) Others		2,912.82	757.99	485.88	196.71	4,353.39
(iii) Disputed dues - MSME		-	-	-	-	-
(iv) Disputed dues - Others		-	-	-	-	-
(v) Unbilled dues shall bdisclosed separately		-	-	-	-	-
Total		2,912.82	757.99	485.88	196.71	4,353.39

Particulars	As at 30 September 2022	As at 31 March 2022
Principal amount due to suppliers as at the year end	-	-
Interest accrued, due to suppliers on the above amount, and unpaid as at the year end	-	-
Payment made to suppliers(other than interest) beyond the appointed date under Section 16 of MSMED	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
Amount of Interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of Interest due and payable for the period of delay in making the payment, which has been paid but beyond the appointed date during the year, but without adding the interest specified under MSMED Act	-	-
Amount of Interest accrued and remaining unpaid at the end of each accounting year to suppliers	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED.	-	-
Total	-	-

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11 Provisions

	As at September 30, 2022		As at March 31, 2022	
	Current	**Non Current**	**Current**	**Non Current**
Gratuity	0.91	14.33	0.77	11.19
Total Provisions	**0.91**	**14.33**	**0.77**	**11.19**

12 Current tax liabilities (net)

	As at 30 September 2022	As at 31 March 2022
Income Tax Provision	735.56	410.37
Total current tax liabilities	**735.56**	**410.37**

13 Other liabilities

	As at September 30, 2022		As at March 31, 2022	
	Current	**Non Current**	**Current**	**Non Current**
Advance from customers	94.39	344.42	366.01	-
Statutory liability	462.25	-	403.24	-
Total other liabilities	**556.63**	**344.42**	**769.24**	**-**

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Notes forming part of the Financial Statements for the period ended 30 September 2022

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14 Revenue from operations

Particulars	For the year ended 30 September 2022	For the year ended 31 March 2022
(a) Sale of Manufactured Products	2,434.05	1,788.70
(b) Sale of Services	953.31	627.15
(c) Revenue from Contracts with customers	7,273.87	16,147.07
Total revenue from operations	**10,661.24**	**18,562.92**
Analysis of revenues by segments:		
Supply of Construction Material, Inherent Services and Execution of Work Contract	10,661.24	18,562.92
Income based on timing of recognition		
Income recognition at a point in time	3,387.37	2,415.85
Income recognition over period of time	7,273.87	16,147.07
Total		
Gross and net income reconciliation		
Gross income	10,661.24	18,569.47
Adjustment for:-		
Sales Return	-	6.55
Discount	-	-
Net income	**10,661.24**	**18,562.92**

15 Other income

Particulars	For the year ended 30 September 2022	For the year ended 31 March 2022
Interest income		
- from fixed deposits	17.81	68.79
- from others	-	-
Discount	1.19	7.09
Profit on Sale of Assets	34.14	-
Total other income	**53.14**	**75.89**

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16 Cost of material consumed

Particulars	For the period ended 30 September 2022	For the year ended 31 March 2022
Raw materials at the beginning of the year	278.51	311.10
Add: Purchases during the year	3,090.64	3,498.28
Less: Raw material at the end of the year	(195.17)	(278.51)
Total cost of materials consumed	**3,173.98**	**3,530.87**

17 Changes in inventories of work in progress,

Particulars	For the period ended 30 September 2022	For the year ended 31 March 2022
Opening inventory:		
Work in progress	-	-
Closing inventory:		
Work in progress	1,372.98	-
Change in inventory of work in progress	**(1,372.98)**	-

18 Construction and Operating expense

Particulars	For the period ended 30 September 2022	For the year ended 31 March 2022
Work charges	358.16	691.04
Material purchases	604.24	1,237.33
Consumption of spares, tools and stores	0.63	1.40
Machinery - running and maintenance	93.06	271.15
Water charges	1.77	5.14
Power & fuel	894.18	1,525.31
Rent and hire	7.27	17.51
Sub contracting expense	3,894.65	7,615.15
Site expenses	86.31	40.60
Others	172.44	420.56
Total construction and Operating expense	**6,112.72**	**11,825.18**

19 Employee benefit expenses

Particulars	For the period ended 30 September 2022	For the year ended 31 March 2022
Salaries, wages and bonus	160.68	331.91
Perquisite	0.96	6.98
Contribution to provident fund and other statutory fund	1.51	4.91
Gratuity	3.36	11.08
Staff welfare expenses	3.76	18.49
Total employee benefits expense	**170.28**	**373.37**

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20 Finance costs

Particulars	For the period ended 30 September 2022	For the year ended 31 March 2022
Interest on borrowings	118.37	275.18
Other borrowing costs	37.01	39.48
Interest on late payment of taxes	-	33.24
Total finance costs	**155.38**	**347.90**

21 Depreciation and amortisation expense

Particulars	For the period ended 30 September 2022	For the year ended 31 March 2022
Depreciation on property, plant and equipment	253.89	539.63
		-
Total depreciation and amortisation expense	**253.89**	**539.63**

22 Other expenses

Particulars	For the period ended 30 September 2022	For the year ended 31 March 2022
Auditor's remuneration	2.50	2.00
Advertisement expenses	5.59	2.97
Computer & printers repairs	0.41	1.23
Donation paid	0.50	7.55
Electricity charges	1.22	1.90
Fees expenses	22.85	35.87
Rates and taxes	60.40	264.35
Loss on sale of property, plant and equipment	-	-
Office expenses	6.23	8.46
Office rent expenses	-	0.94
Penalty GST amount paid	26.74	-
Printing & stationary	1.01	2.02
Sales promotion expenses	-	-
Toll expenses	754.89	-
Tender fees	9.43	6.52
Travelling expenses	7.55	4.10
CSR expense	-	52.55
Total other expenses	**899.31**	**390.44**

(i) Details of payments to auditor's (excluding taxes)

Particulars	For the period ended 30 September 2022	For the year ended 31 March 2022
Payment to auditor's		
As auditor:		
Audit fee	2.50	2.00
- Statutory auditors		
- Tax auditors		
In other capacities:		
Certification fees	14.40	-
Re-imbursement of expenses	-	-
(Amount include in unmortised IPO Expense under other current assets)		
Total payments to auditors	**16.90**	**2.00**

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(Amount in Lakhs unless otherwise stated)

23 Taxation

(a) Income tax expense

Particulars	For the period ended 30 September 2022	For the year ended 31 March 2022
Current tax		
Current tax on profits for the year	325.16	410.59
Adjustments for current tax prior periods	-	-
Total current tax expense	**325.16**	**410.59**
Deferred tax		
(Increase)/Decrease in deferred tax assets	(5.31)	(16.47)
(Increase)/Decrease in deferred tax liabilities	-	-
Total deferred tax expense	**(5.31)**	**(16.47)**
Income tax expense	**319.86**	**394.12**

(b) Other comprehensive income

Particulars	For the period ended 30 September 2022	For the year ended 31 March, 2022
Remeasurements of defined benefit liability/(asset)	0.08	(0.89)
Tax impact of above	(0.02)	0.22
Total other comprehensive income	**0.06**	**(0.66)**

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Notes forming part of the Financial Statements for the period ended 30 September 2022

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24 Earning per share (EPS)

Particulars	As at 30 September 2022	As at 31 March 2022
i Net profit after tax as per statement of profit and loss attributable to equity shareholders	1,002.01	1,236.62
ii Weighted average number of equity shares used as denominator for calculating EPS (Nos.)	365.00	365.00
iii Basic and diluted earnings per share (in Rs.)	2.75	3.39
iv Face value per equity share (in Rs.)	10.00	10.00

25 Contingent liability in respect of:

Particulars	As at 30 September 2022	As at 31 March 2022
A. Bank guarantees	4,437.17	3,848.85
B. Guarantees given in respect of performance of contracts of subsidiaries, joint ventures and unincorporated joint ventures in which Company is one of the member / holder of substantial equity	-	-
C. Guarantee given in favour of a subsidiary for loan obtained by them	-	-
D. Claims against the Company not acknowledged as debts	-	-
E. Demands by Service Tax/GST/Excise Authorities under disputes	-	-
F. Show cause notice issued by Service Tax authorities	-	-
G. Trichy madurai road project royalty matter	-	-
H. Disputed income-tax demand in appeal before appellate authorities	1,688.78	1,688.78
I. Disputed income-tax demand of joint ventures in appeal before appellate authorities	-	-
J. Disputed VAT demand in appeal before appellate authorities	-	-

26 Capital and other commitments

Particulars	As at 30 September 2022	As at 31 March 2022
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-

27 Capital risk management

The primary objective of the company's capital management is to ensure that it maintains an efficient capital structure and maximizes shareholder value. The company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long term and other strategic investment plans. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders or issue new shares. The company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the period ended 30 September 2022 and year ended 31 March 2022. The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio is as follows.

Particulars	As at 30 September 2022	As at 31 March 2022
Borrowings		
Long term and Short term borrowings	3,359.95	1,899.00
Current maturities of Long term borrowings	511.26	731.22
Less: cash and cash equivalents	1,860.68	1,524.15
Less: Bank balances other than cash and cash equivalents	-	-
Adjusted net debt	2,010.54	1,106.07
Total Equity	7,228.11	6,226.10
Adjusted net debt to adjusted equity ratio	**0.28**	**0.18**

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

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28 POST EMPLOYMENT BENEFIT EXPENSES

a. Defined contribution plan

The company makes contribution towards provident fund which is defined contribution retirement plans for qualifying employees. The provident fund plan is operated by the regional provident fund commissioner. Under the schemes, the company is required to contribute a specified percentage of payroll cost to the retirement contribution schemes to fund benefits.

The expense recognised during the period towards defined contribution plan -

Particulars	For the period ended 30 September 2022	For the Year ended 31 March 2022
Contribution to provident fund	1.51	4.91

b. Defined benefit plan

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a payment ceiling of INR 20,00,000/-.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation as at balance sheet date:

	Defined benefit plans	For the period ended 30 September 2022	For the year ended 31 March 2022
		Gratuity (Unfunded)	Gratuity (Unfunded)
I	**Expenses recognised in statement of profit and loss during the year:**		
	Current service cost	2.91	3.43
	Past service cost	-	-
	Expected return on plan assets	-	-
	Net interest cost / (income) on the net defined benefit liability / (asset)	0.45	0.54
	Total expenses	**3.36**	**3.97**
II	**Expenses recognised in other comprehensive income**		
	Amount recognized in other comprehensive income, beginning of period	0.89	0.31
	Actuarial (gains) / losses due to demographic assumption changes in defined benefit obligations		-
	Actuarial (gains) / losses due to financial assumption changes in defined benefit obligations		-
	Actuarial (gains)/ losses due to experience on defined benefit obligations	(0.08)	0.57
	Return on plan assets excluding interest income		-
	Total remeasurements recognized in OCI		-
	Total expenses	**0.80**	**0.88**
III	**Net asset /(liability) recognised as at balance sheet date:**		
	Present value of defined benefit obligation	15.24	11.96
	Fair value of plan assets	-	-
	Funded status [surplus/(deficit)]	**15.24**	**11.96**

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IV Movements in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	11.96	7.42
Current service cost	2.91	3.43
Past service cost	-	-
Interest cost	0.45	0.54
Actuarial (gains) / loss	(0.08)	0.57
Benefits paid		-
Present value of defined benefit obligation at the end of the year	**15.24**	**11.96**
V Movements in fair value of the plan assets		
Opening fair value of plan assets	-	-
Expected returns on plan assets	-	-
Expected returns on plan assets excluding Interest income	-	-
Actuarial (gains) / loss on plan assets	-	-
Contribution from employer	-	-
Benefits paid	-	-
Closing fair value of the plan asset	-	-
Classification		
Current liability	0.91	0.77
Non-current liability	14.33	11.19
Expected cash flows over the next (valued on undiscounted basis):		
1st Following Year	0.91	0.77
2nd Following Year	0.14	0.12
3rd Following Year	0.15	0.14
4th Following Year	0.16	0.15
5th Following Year	0.20	0.15
Post 5th Year	13.67	10.64

Particulars	**For the period ended 30 September 2022**	**For the year ended 31 March 2022**
VI Quantitative sensitivity analysis for significant assumptions is as below:		
Increase / (decrease) on present value of defined benefit obligation at the end of the year		
(i) +1% increase in discount rate	1.52	1.32
(ii) -1% decrease in discount rate	(1.83)	(1.55)
(iii) +1% increase in rate of salary increase	1.98	1.55
(iv) -1% decrease in rate of salary increase	(1.68)	(1.32)
(v) +1% increase in rate of withdrawal rate increase	(1.52)	(0.24)
(vi) +1% decrease in rate of withdrawal rate	3.05	0.24

VII Sensitivity analysis method

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

VIII Actuarial assumptions:

	As at September 30, 2022	**As at March 31, 2022**
Expected Return on Plan Assets	NA	NA
Discount rate	7.25%	7.25%
Expected rate of salary increase	5.00%	5.00%
Mortality Rate During Employment	ILAM 2012-14	ILAM 2012-14
Retirement age	60	60

Notes:

a. The rate used to discount post-employment benefit obligations is determined by reference to market yields at the end of the reporting period on government bonds.

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

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29 RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party	Nature of Relationship	Country of Incorporation/ Residency
Mr. Udayshivakumar	Key Management Personnel (KMP)	India
Mrs. Amrutha	Key Management Personnel (KMP)	India
Mr. Prabhakar Rajanna	Relative of Key Management Personnel	India
Udayshivakumar Stone Crusher	Enterprises Where Key Management Personal have Significant Influence	India
Aishwarya USK Stone Crusher	Enterprises Where Key Management Personal have Significant Influence	India
Uday Super Bazar	Enterprises Where Key Management Personal have Significant Influence	India
Eprayag Software Private Limited	Enterprises Where Key Management Personal have Significant Influence	India

(ii) Transactions with related parties
The following transactions occurred with related parties

Name	Nature of Transaction	As at 30 September 2022	As at 31 March 2022
Udayshivakumar Stone Crusher	Purchases	540.70	1,154.62
Mr. Prabhakar Rajanna	Rent	54.29	110.20
Mr. Prabhakar Rajanna	Machinery Rent	-	95.70
Mr. Udayshivakumar	Loan Taken	1,579.95	5,772.14
Mr. Udayshivakumar	Loan Repaid	1,278.17	5,766.45
Mr. Udayshivakumar	Rent Received	-	10.00
Mr. Udayshivakumar	Machinery & Vehicles Sale	245.44	-
Udayshivakumar Stone Crusher	Rent Received	-	203.39
Mr. Prabhakar Rajanna	Sales	62.69	32.88
Mr. Prabhakar Rajanna	Purchases	-	31.11

(iii) Outstanding balances payable to :

Name	Nature of Transaction	As at 30 September 2022	As at 31 March 2022
Udayshivakumar Stone Crusher	Trade Payable	32.17	0.34
Mr. Udayshivakumar	Borrowing	74.40	18.06
Mr. Prabhakar Rajanna	Trade Payable (Advances)	136.57	30.27

(iv) Terms and conditions of transactions with related parties
There have been no guarantees provided or received for any related party receivables and payables. The company has not recorded any impairment of receivables relating to amounts owned by related parties. This assessment is undertaken each financial year through examining the financial position of the related parties and market in which the related party operates.

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30 FAIR VALUE MEASUREMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Particulars	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets and liabilities as at 30 September 2022								
Non-current financial assets								
Trade Receivable	-	-	4,261.06	4,261.06	-	-	4,261.06	4,261.06
Other financial assets	-	-	1,403.49	1,403.49	-	-	1,403.49	1,403.49
Current financial assets								
Trade receivables	-	-	2,078.74	2,078.74	-	-	2,078.74	2,078.74
Cash and cash equivalents	-	-	1,860.68	1,860.68	-	-	1,860.68	1,860.68
Other financial assets	-	-	106.40	106.40	-	-	106.40	106.40
Total	-	-	**9,710.37**	**9,710.37**	-	-	**9,710.37**	**9,710.37**
Non-current financial liabilities								
Borrowings	-	-	451.17	451.17	-	-	451.17	451.17
Trade Payables	-	-	814.89	814.89	-	-	814.89	814.89
Other financial liabilities	-	-	1,276.54	1,276.54	-	-	1,276.54	1,276.54
Current financial liabilities								
Borrowings	-	-	3,494.45	3,494.45	-	-	3,494.45	3,494.45
Trade payables	-	-	2,326.33	2,326.33	-	-	2,326.33	2,326.33
Other financial liabilities	-	-	47.31	47.31	-	-	47.31	47.31
Total	-	-	**8,410.69**	**8,410.69**	-	-	**8,410.69**	**8,410.69**

Particulars	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets and liabilities as at 31 March 2022								
Non-current financial assets								
Trade Receivable	-	-	4,120.07	4,120.07	-	-	4,120.07	4,120.07
Other financial assets	-	-	1,162.89	1,162.89	-	-	1,162.89	1,162.89
Current financial assets								
Trade receivables	-	-	3,676.37	3,676.37	-	-	3,676.37	3,676.37
Cash and cash equivalents	-	-	1,524.15	1,524.15	-	-	1,524.15	1,524.15
Other financial assets	-	-	-	-	-	-	-	-
Total	-	-	**10,483.48**	**10,483.48**	-	-	**10,483.48**	**10,483.48**
Non-current financial liabilities								
Borrowings	-	-	557.12	557.12	-	-	557.12	557.12
Trade Payables	-	-	1,440.57	1,440.57	-	-	1,440.57	1,440.57
Other financial liabilities	-	-	1,209.02	1,209.02	-	-	1,209.02	1,209.02
Current financial liabilities								
Borrowings	-	-	2,091.17	2,091.17	-	-	2,091.17	2,091.17
Trade payables	-	-	2,912.82	2,912.82	-	-	2,912.82	2,912.82
Other financial liabilities	-	-	33.96	33.96	-	-	33.96	33.96
Total	-	-	**8,244.66**	**8,244.66**	-	-	**8,244.66**	**8,244.66**

The carrying amounts of trade receivables, trade payables, deposits, other receivables, cash and cash equivalent including other current bank balances and other liabilities including deposits, creditors for capital expenditure, etc. are considered to be the same as their fair values, due to current and short term nature of such balances.

C. Fair Value Hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

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31 FINANCIAL RISK MANAGEMENT

A Risk management framework

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and market risk. The Company's primary risk management focus is to minimise potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes. The Company has exposure to the following risks arising from financials instruments :

(i) Credit risk
(ii) Liquidity risk
(iii) Market risk (including currency and interest rate risk)

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes provision for expected credit loss and impairment that represents its estimate of incurred losses in respect of trade and other receivables and investments.

In assessing the recoverability of receivables and other financial assets, the Company has considered internal and external information upto the date of approval of these financial statements. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

(a) Trade receivables

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

Expected credit loss assessment for customers as at the reporting date

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.
On the above basis, the Company estimates the following provision matrix at the reporting date on:

1 Trade receivables

Particulars	As at 30 September 2022	As at 31 March 2022
Unsecured		
-Considered good	6,339.80	7,796.44
-Considered doubtful	-	-
Gross Trade Receivables	6,339.80	7,796.44
Less: Loss Allowance	-	-
Net Trade Receivables	6,339.80	7,796.44

(b) Loans and financial assets measured at amortized cost

Loans and advances given comprises of inter Company loans hence the risk of default from these companies are remote. The Company monitors each loans and advances given and makes any specific provision wherever required.

(c) Cash and cash equivalents

The Company held cash and cash equivalent and other bank balance of Rs. in Lakhs 1860.69 at September 30, 2022 (March 31, 2022: Rs in Lakhs 1524.15). The same are held with bank and financial institution counterparties with good credit rating. Also, Company invests its short term surplus funds in bank fixed deposit which carry no market risks for short duration, therefore does not expose the Company to credit risk.

(ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows.

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1 Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments.

Contractual maturities of financial liabilities 30 September 2022	1 year or less	1-3 years	More than 3 years	Total
Long Term Borrowings	511.26	336.42	40.35	888.03
Trade Payables	2,326.33	343.20	471.69	3,141.22
Short term borrowings	2,983.18	-	-	2,983.18
Other financial liabilities	556.63	1,276.54	-	1,833.18
Total	**6,377.40**	**1,956.16**	**512.04**	**8,845.61**

Contractual maturities of financial liabilities 31 March 2022	1 year or less	1-3 years	More than 3 years	Total
Long Term Borrowings	731.22	441.16	115.95	1,288.34
Trade Payables	33.96	1,440.57	-	1,474.53
Short term borrowings	1,359.95	-	-	1,359.95
Other financial liabilities	769.24	1,209.02	-	1,978.26
Total	**2,894.37**	**3,090.76**	**115.95**	**6,101.08**

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.The Company's exposure to, and management of, these risks is explained below.

1 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at 30 September 2022	As at 31 March 2022
Variable rate borrowings	3,871.22	2,630.22
Fixed rate borrowings	-	-

Sensitivity:

A change of 100 basis points in interest rates would have following impact on profit before tax and equity -

Particulars		
Interest rates – increase by 100 basis points	(28.97)	(19.68)
Interest rates – decrease by 100 basis points	28.97	19.68

(iv) Commodity Price Risk

The Company's revenue is exposed to the market risk of price fluctuations in its division is as under:

Engineering Segment: the company generally takes turnkey projects from government departments. The contract price is generally fix and free from any price risk subject to change in any government policy or rules.

The company primarily purchases its raw materials in the open market from third parties. The company is therefore subject to fluctuations in prices for the purchases. The company purchased substantially all of its raw material from third parties in the open market.

The Company aims to sell the products at prevailing market prices. Similarly the Company procures raw materials on prevailing market rates as the selling prices of its products and the prices of input raw materials move in the same direction.

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32 DISCLOSURES AS PER IND AS -115

a Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

b Disaggregation of revenue of segments as required by Ind As -115, has been disclosed under note no. 14.

c There is no material impact on provision for expected credit loss so movement analysis is not required.

d Contract balances: Company recognized revenue as per IndAS 115 and revenue is directly debited in trade receivables instead of debiting it into contract assets. There is no unbilled receivable exists in balance sheet so no contact assets are being recognized in balance sheets and also there is no unearned revenue exists in balance sheet so no contract liabilities are being recognized in balance sheets .

e No contract modifications occurred during the year.

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Notes forming part of the Financial Statements for the period ended 30 September 2022
(Amount in Lakhs unless otherwise stated)

33 Statement of unhedged foreign currency exposure:
There is no unhedged foreign Currency Exposure

34 Transactions in Foreign Currency

A) Expense in Foreign Currency

Particulars	For the Year Ended September 30, 2022	For the Year Ended March 31, 2022
	-	-
Total	-	-

B) Income in Foreign Currency

Particulars	For the Year Ended September 30, 2022	For the Year Ended March 31, 2022
	-	-
Total	-	-

C) Income in Foreign Currency

Particulars	For the Year Ended September 30, 2022	For the Year Ended March 31, 2022
	-	-
	-	-
Total	-	-

35 COVID 19 Note
The Company has Considered the possible effect that may result from the pandemic relating to COVID – 19 on carrying amount of receivables, unbilled revenue. In additional to the historical pattern of credit loss, we have considered the likelihood of increased credit risk and consequential default considering emerging situation due to COVID -19. This assessment is not based on any mathematical model but an assessment considering the financial strength of the customers in respect of whom amounts are receivable. The company has specifically evaluated the potential impact with respect to repayment capacity of the customer. The company closely monitor its customer who are going through financial stress and assesses action such as change in payment terms, depending on severity of each case. The company, basis their assessment believes that the probability of the occurrence of their forecasted transection is not impacted by COVID – 19 pandemic. The company has also considered the effect of changes, if any, in both counterparty credit risk and while assessing the effectiveness and measuring ineffectiveness. The company has considered such impact to the extent known and available currently. However, the impact assessment of COVID – 19 pandemic is a continuing process given the uncertainties associated with its nature and duration.

36 Event Occurring After Reporting Date
There is no reportable event occurred after Balance Sheet Date

37 Ratio Analysis

Particulars	Numerator	Denominator	30th September 2022	31st March 2022	% change from March 31, 2022 to September 30, 2022	Reason for Major Deviation
a) Current Ratio	Current assets	Current liabilities	1.15	1.05	As both the periods are not of same duration therefore the ratios are not comparable	Figures are not annualised therefore we are unable to determine the reasons for such deviations
(b) Debt-Equity Ratio	Total debt	Shareholder's equity	0.55	0.43		
(c) Debt Service Coverage Ratio	EBIDTA	Interest + Repayment of borrowings	2.60	2.33		
(d) Return on Equity Ratio	Profit after tax	Average Shareholder's equity	14.89%	22.06%		
(e) Inventory turnover ratio	Cost of goods sold	Average inventory	8.57	52.09		
(f) Trade Receivables turnover ratio	Net credit sales	Average trade receivables	1.51	2.28		
(g) Trade payables turnover ratio	Net credit purchases	Average trade payable	0.99	1.10		
(h) Net capital turnover ratio	Net sales	Average working capital	15.44	13.64		
(i) Net profit ratio	Profit after tax	Net sales	9.40%	6.67%		
(j) Return on Capital employed	EBIT	Capital Employed	13.22%	22.30%		
(k) Return on investment	Net income	Cost of investment	0.00%	0.00%		

Particulars	Numerator	Denominator	31st March 2022	31st March 2021	% change from March 31, 2021 to March 31, 2022	Reason for Major Deviation
a) Current Ratio	Current assets	Current liabilities	1.05	1.44	-26.63%	Note - 1
(b) Debt-Equity Ratio	Total debt	Shareholder's equity	0.43	0.61	-30.65%	Note - 2
(c) Debt Service Coverage Ratio	EBIDTA	Interest + Repayment of borrowings	2.33	1.64	42.25%	Note - 3
(d) Return on Equity Ratio	Profit after tax	Average Shareholder's equity	22.06%	18.63%	18.40%	NA
(e) Inventory turnover ratio	Cost of goods sold	Average inventory	52.09	66.37	-21.52%	NA
(f) Trade Receivables turnover ratio	Net credit sales	Average trade receivables	2.28	2.37	-3.58%	NA
(g) Trade payables turnover ratio	Net credit purchases	Average trade payable	1.10	1.05	4.14%	NA
(h) Net capital turnover ratio	Net sales	Average working capital	13.64	8.04	69.79%	Note - 4
(i) Net profit ratio	Profit after tax	Net sales	6.67%	4.97%	34.20%	Note - 5
(j) Return on Capital employed	EBIT	Capital Employed	22.30%	23.14%	-3.61%	NA
(k) Return on investment	Net income	Cost of investment	0.00%	0.00%	0.00%	NA

Notes:
1. Reduction in Current Asset with Simultaneous Increase in Current Liabilities caused the ratio to decline.
2. Reduction in overall level of debts along with increase in equity caused the ratio to decline.
3. Due to repayment of borrowings and simultaneous increase in EBIDTA caused the ratio to increase.
4. Shrinkage in Working Capital caused the ratio to have drastic increase.
5. The Company's Net Profit is increased in spite of fall in sales and the same has caused the ratio to have increase.

38 Previous year figures have been regrouped/ reclassified, where necessary, to conform to this year's classification.

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(Amount in Lakhs unless otherwise stated)

39 Other Relevant Disclosures

(i) In the opinion of the Board of Directors of the Company, the current assets are approximately of the value stated if realized in the ordinary course of business. The provision for all known liability are adequate and are not in excess of the amount considered reasonably necessary. Sundry debtor and creditors balances which are not receivable or payment due to operational reasons, has been written off or written back during the year and accounted accordingly.

(ii) Additional liability if any, arising pursuant to respective assessment under various fiscal statues, shall be accounted for in the year of assessment. Also interest liability for the delay payment of the statutory dues, if any has been accounted for in the year in which in the same are being paid.

(iii) Balance of Debtors & Creditors & Loans & advances Taken & giving are subject to confirmation and subject to consequential adjustments, if any. Debtors & creditors Balance has been shown separately and the advances received and paid from/to the parties is shown as advance from customer and advance to suppliers.

(iv) The company has no transactions, which are not recorded in the books of accounts and which are surrendered or disclosed as income during the year in the Tax assessment or in search or survey or under any other relevant provision of the income tax Act 1961.

(v) **Corporate Social Responsibility:**
As per section 135 of the companies Act, 2013, a company, meeting the applicability threshold, needs to spends at least 2% of its average net profit for the immediately preceding three financial year on corporate social responsibility (CSR) activities. The Areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID – 19 relief and rural development projects. The following disclosure has been given with respect to the CSR activities of the company held during the previous year -

	Particulars	For the period ended 30.09.2022	For the year ended 31.03.2022
(a)	Gross Amount required to be spend by the company during the year	-	19.35
(b)	CSR expenditure incurred during the year on;		
	- Construction / acquisition of any asset	-	-
	- On purpose other than the above	-	52.55
	Shortfall	-	-
	Related Party Transactions	-	-

Note -
1. Company has not spent any amount in CSR till 30th Sept 2022 as the statutory requirement has to be met till 31st March 2023 therefore company will comply with it till year end.
2. There is no Shortfall in the CSR spending required to be done during the year 2021-22.
3. Related Party Transaction: No related party sending has been done by the company for CSR spending.

(vi) The company has not Traded or invested in crypto currency or virtual currency during the year 2021-22 and during the period ended 30 September 2022.

(vii) The company has outstanding loan of availed from bank. The company movable and immovable properties is current and non current assets are charged as securities to the bank to avail the loan. The periodic statements related to the current assets as required by the bank, were submitted and same are grossly in agreement with the books of accounts of the company subject to the administrative variances due to the submission of the unaudited statements. Details of the variations are as follows :

Particulars	For the period ended 30.09.2022	For the year ended 31.03.2022
Stock as per Stock Statement (Submitted to the Bank)	195.17	278.51
Stock as per Financial Statement	195.17	278.51
Difference/Variation	-	-
Reason	NA	NA
Receivables as per Book Debt Statement (Submitted to the Bank)	5,474.24	6,658.66
Receivables as per Financial Statement	6,339.80	7,796.44
Difference/Variation	(865.56)	(1,137.78)
Reason	List is submitted on the Basis of Unaudited Statements	

(viii) The Company do not had any transection during the year 2021-22 and during the period ended 30 September 2022 with the companies which are struck off under section 248of the companies Act 2013 or section 560 of the companies Act 1956.

(ix) The company has not been declared as willful defaulter by any bank or financial year from any other lender during the year 2021-22 and during the period ended 30 September 2022.

(x) The company has registered all the charges which are required to be registered under the terms of the loan and liabilities and submitted Documents with ROC within the period as required by companies Act 2013.
(Note: The Company has converted from firm into company therefore loans related to the firm are still registered in the name of the firm.)

(xi) As per the information & detail available on records and the disclosure given by the management, the company has complied with the number of layers prescribed under clause (87) of section 2 of the companies Act read with the Companies (Restriction on number of layers) Rules 2017.

(xii) As per the Information & details available on records and the disclosure given by the management, the company has not advanced, loaned or invested to any other person or entity or foreign entitles with the understanding that the intermediary shall directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company or provided any guarantee, security or like to or on behalf of the company. Further the company has not received any funds from any person, entity including the foreign entity with the understanding that the company shall directly or indirectly lend, invest or guarantee, security or like manner on behalf of the funding party.

(xiii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

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