ON TRACK.
TO DELIVER GROWTH WITH PRUDENCE.

Capacit'e Infraprojects Limited
Annual Report 2021-22

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Scan the QR Code to know more about the company

Forward looking statement

Some information in this report may contain forward-looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forwardlooking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forwardlooking statements and assumed facts or bases and actual results can be material, depending on the circumstances.

Over the years, we have continuously redefined the urbane landscape with our innovative designs and marquee projects – setting benchmarks and tiding above competition.

Today, as we witness remarkable transformations within the real-estate space, we understand the need to align our priorities with that of shifting customer expectations. Our ability to consistently morph ourselves and capitalise on emerging opportunities have empowered us to lay the foundation for sustained growth and progress.

Our judicious efforts have enabled us to become an end-to-end construction service provider with a reputation for delivering impeccable quality and ensuring timely execution of projects. Backed by a growing customer base and the dedication to hone our expertise further with the implementation of new-age processes, we are on the right track to deliver growth with prudence.

CREATING ICONIC SKYLINES WITH INNOVATIVE DESIGNS

Capacit'e Infraprojects Limited (Capacit'e) has been creating innovative skylines and inspiring a new construction portfolio for the future which is synonymous with high quality and iconic designs. It is one of the leading and fastest growing construction companies providing innovative solutions and create enduring experience for its customers.

Headquartered in Mumbai, we offer end-to-end construction services for residential complexes, corporate office building and commercial buildings. With our innovative solution and unmatched domain knowledge, we engage in constructing high-rise and super-high-rise buildings. Our impeccable track record in efficient execution and on-time delivery has helped us build a brand that enjoys the trust of our customers and stakeholders.

Quick facts

₹ 8,702 Cr
Order book

₹ 1,347.9 Cr
Total income

12,000+
CSR beneficiaries

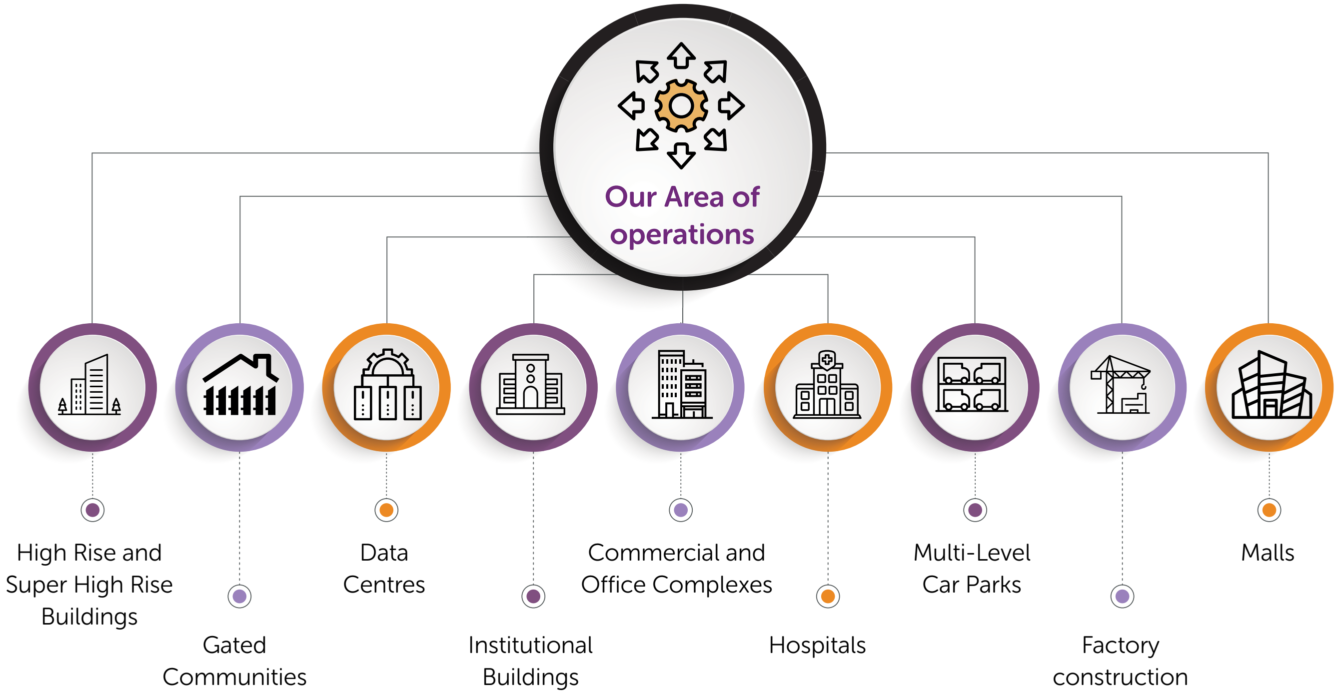
1,654
Employees

70+ Years
Experience of top management

8
Board members

Our end-to-end business offerings

- Designing
- Detailing
- Scheming
- Customisation
- Procurement
- Deployment
- Implementation
- Timely completion



MANAGING DIRECTOR'S PERSPECTIVE

"At Capacit'e, we focused on acquiring new orders, strengthening our relation with existing clients, building robust execution capabilities and fortifying our balance sheet."

Dear Shareholders,

Looking back at fiscal year 2022, we take great pride in the fact that despite challenges, our accomplishments were quite remarkable. While the effects of the pandemic, clubbed with soaring inflation and geopolitical instability continued to disrupt and delay our operations, it also introduced rapid transformations.

Since the onset of the pandemic in early 2020, the real estate sector has shown great resilience and has posted healthy growth in fiscal 2022. As the economic growth rebounded, interest in real-estate has been renewed. Additionally, historically low home loan interest rates and structured reforms such as GST and RERA are restoring confidence in buyers as well as developers.

The Government of India has also supported the sector with favourable reforms and policies. The announcements made in the Union Budget 2022-2023 will also contribute towards positive sentiments. The increased focus on affordable housing is also attracting a large number of home buyers towards the residential property market. It is expected to keep the real-estate sector as a whole buoyed with plenty of emerging opportunities.

As per the market evaluation report by Knight Frank, highest domestic real estate sales volume was witnessed in Mumbai, in Q4 of FY22. Delhi-NCR, on the other hand, recorded the highest year-on-year (Y-o-Y) growth in sales volume of new homes during the same period. Moreover, offices and commercial spaces across the country have reopened after the lockdown in 2020-21, resulting in greater traction for commercial real estate as well.

At Capacit'e, we focused on acquiring new orders, strengthening our relation with existing clients, building robust execution capabilities and fortifying our balance sheet. Our order book remains robust with several bids in pipeline. We believe, the strength of our new as well as existing clientele will enable us to maintain strong top and bottom lines and manage commodity risk appropriately.

We also remain mindful of our social and environmental obligations. To fulfil our objectives, we continue to prioritise our ESG goals and strive to build a sustainable business by creating a harmonious relationship between people, communities and natural resources. We also adopt measures to ensure energy efficiency and responsible waste management practices to minimise our environmental footprint.

Despite the market volatility, we remain poised for the future with a strategic focus on corporate governance, strong execution and delivery. At Capacit'e, we are also optimistic about our ability to manage our working capital efficiently, while following stringent cost optimisation measures.

Before I conclude, I would like to thank our customers for trusting us with their projects during a highly uncertain year. We will continue to do our utmost to serve their needs and alleviate disruptions. I would also like to thank our employees, suppliers, shareholders and other stakeholders for their continued support and trust in us.

Looking forward, we are on track to deliver robust value for all our stakeholders!

Regards,

Rahul R. Katyal
Managing Director

EXECUTIVE DIRECTOR & CFO'S INSIGHTS

We aspire to provide extraordinary quality and services in every domain of our expertise. And this report entails our progress, value creation philosophy and the building blocks of our success.

Dear Shareholders,

We, at Capacit'e, along with our employees, customers and business partners continued to work together to strengthen the country's real estate landscape and create sustained value. We not only navigated challenges but, also emerged stronger and assisted our value chain partners to resume operations swiftly.

We aspire to provide extraordinary quality and services in every domain of our expertise. And this report entails our progress, value creation philosophy and the building blocks of our success. Being an engineering specialist, we have built robust capabilities in the construction industry and ensured timely delivery of High Rise, Super High Rise, Commercial, IT/ITES, Healthcare, Gated Communities, MLCPs and Premium Private Residence projects in metro cities.

During the year under review, we continue to leverage our strengths to ensure robust financial and non-financial outcomes. Our revenue from operations grew by 52% YoY from ₹ 879 Crores in FY21 to ₹ 1,335 Crores. Our revenue was slightly impacted in the last quarter owing to changes in contract terms with a private sector client. In terms of profitability, our EBITDA grew from ₹ 137 Crores in FY21 to ₹ 213 Crores in FY22, registering a growth of 56% YoY. Our bottom line stood at ₹ 45 Crores with a margin of 3.3%.

While our gross debt, including promoter's debt, stood at ₹ 328 Crores our net debt remained stable at ₹ 129 Crores, with net debt to equity at 0.13x. The working capital, excluding retention, improved to 91 days in March 2022 from 99 days in December 2021, indicating a positive trend. We also maintained a healthy liquidity position with cash flow from operations at ₹ 34.41 Crore.

In terms of order book, we maintained an optimum mix of orders from the public and private sector. Our order book value from the public sector, representing 68% of the total value, stood at ₹ 5,612 Crore as on 31st March 2022. The private sector order book, representing 32% of the total value, amounted to ₹ 2,618 Crore as on 31st March 2022. Our bid pipeline remains healthy with existing clients in the public as well as private sectors.

In the fiscal year 2022, we continued to focus on driving shareholder value, building a lean balance sheet by reducing debt and maintaining strong cash flow. Throughout the year, we implemented cost control measures across our operations, with the endeavour to boost our bottom line, margins and cash flow. Our financial position reflects the progress we have made throughout the year and despite new headwinds, we remain extremely optimistic about our business growth and our ability to maximise value creation for all our stakeholders.

For the long term, our strategic intentions to further strengthen execution capabilities and our ability to maintain a diversified portfolio will empower us to chart new trajectories of growth.

Regards,

Rohit Katyal,
CFO & Executive Director

FINANCIAL HIGHLIGHTS

0.34x
Gross Debt to Equity Ratio

0.13x
Net Debt to Equity Ratio

₹ 328 Cr
Gross Debt

₹ 128 Cr
Net Debt

Revenue from operations (**₹ in Cr.**)

FY 2021-22	1,334.8
FY 2020-21	880
FY 2019-20	1,529
FY 2018-19	1,787
FY 2017-18	1,336

EBITDA Margin (**in %**)

FY 2021-22	15.9
FY 2020-21	15.5
FY 2019-20	16.8
FY 2018-19	13.9
FY 2017-18	15.2

PAT Margin (**in %**)

FY 2021-22	3.3
FY 2020-21	0.2
FY 2019-20	5.8
FY 2018-19	5.2
FY 2017-18	5.8

Order Book Value (**₹ in Cr.**)

FY 2021-22	8,702
FY 2020-21	8,720
FY 2019-20	10,484
FY 2018-19	7,177
FY 2017-18	5,682

PAT (**₹ in Cr.**)

FY 2021-22	44.7
FY 2020-21	2
FY 2019-20	91
FY 2018-19	96
FY 2017-18	79

EBITDA (**₹ in Cr.**)

FY 2021-22	213
FY 2020-21	137
FY 2019-20	257
FY 2018-19	248
FY 2017-18	203

CREATING LONG-TERM VALUE SUSTAINABLY

What we do

Mission

Transforming vision into reality

Vision

We are dedicated to providing extraordinary quality and services in every domain of our expertise. We shall achieve this by providing high quality services and ensuring that we have a stable and motivated workforce – one which exhibits true passion to excel.

Core competencies

- Domain expertise in construction of buildings in major cities;
- Strong order book value and clientele consisting of leading national and international brands; Experienced and diversified promoters, directors and management team;
- Well equipped with modern and cutting-edge technologies;
- Skilled workforce ensuring timely delivery and quality services;
- Robust balance sheet and strong liquidity position.

How we develop value

Financial Capital

- ₹ **973.99** crore Net worth
- ₹ **128.37** crore Net debt
- ₹ **448.97** crore Retained earnings

Human Capital

- **1,654** Employees
- **70+** years Experience of Top Management

Intellectual and manufactured capital

- **Decade** of existence
- ₹ **444** crore Investment on latest technology (Net block)

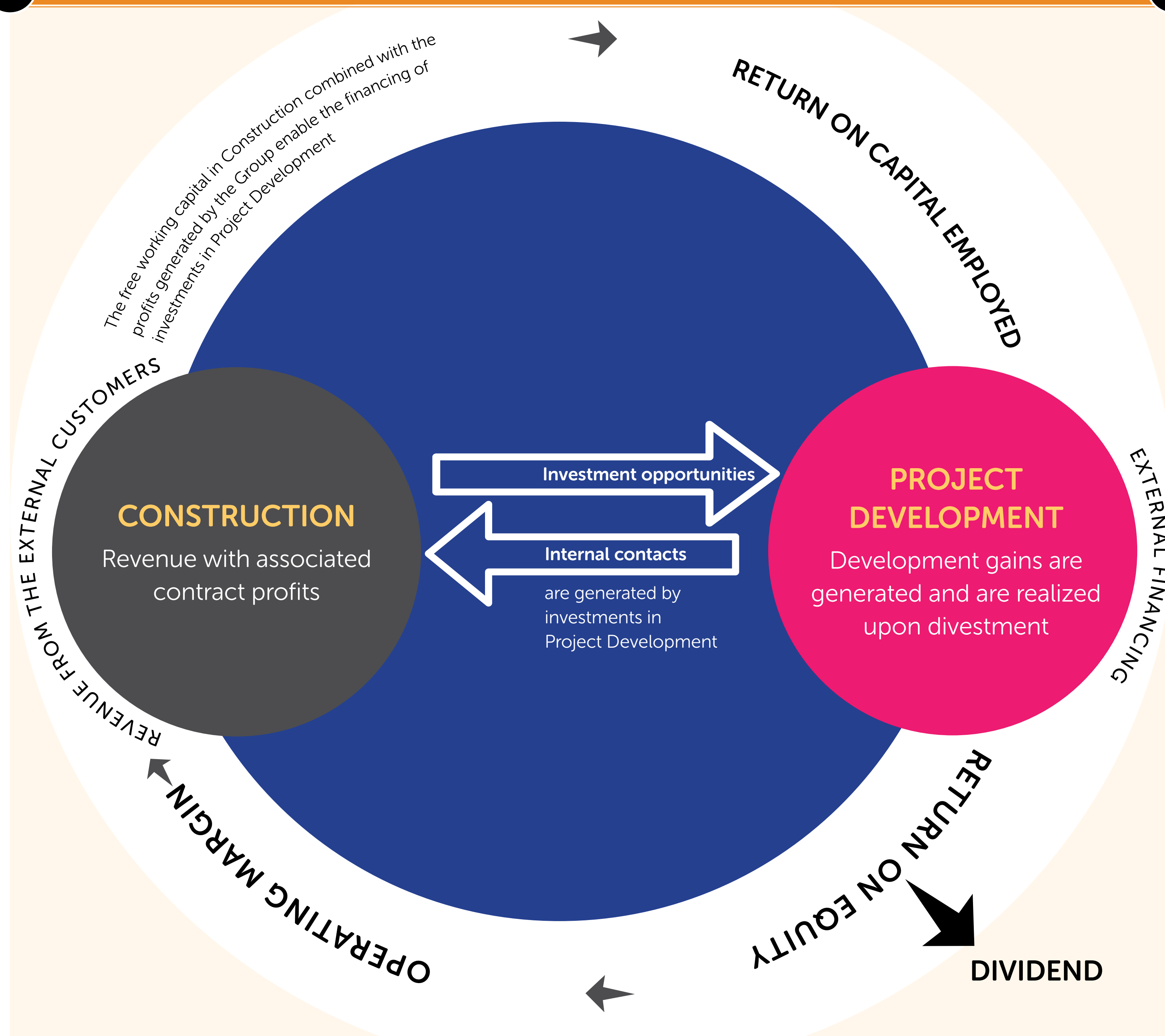
Natural Capital

- Electricity;
- Renewable and non-renewable sources of energy;
- Water

Social and Relationship Capital

- ₹ **1.70** crore CSR expenditure
- Strengthen our partnership with supplier and dealers

How do we do business



How we create value

- Growth in revenue;
- Strong financial structure;
- Professional and career growth;
- Value created for communities;
- Strengthen relationship with stakeholders;
- Ensured resource efficiency;
- Reducing impact air, water and other natural resources;
- Be a reliable client through the value chain;
- Creating sustainable value for communities.

SDG's

BUILDING ON OUR SOLID FOUNDATION

We leverage our core strengths to offer a world of possibilities to our customers while consistently delivering industry-leading performance.

Also, we are a solution driven Company known for our innovative infrastructure. Our agile business model helps us calibrate growth strategies based on emerging trends.

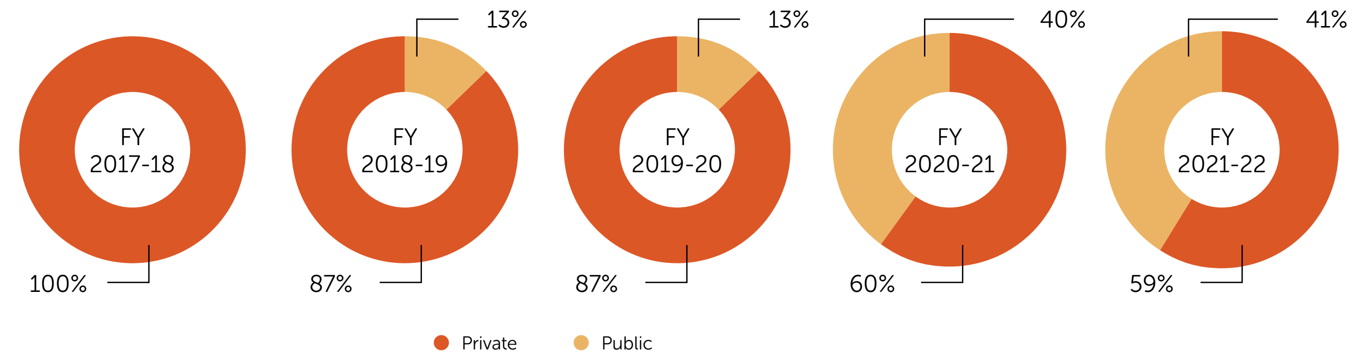
Efficiency

We leverage our expertise and experience to deliver complex infrastructure projects within a stipulated time. 'Capacit'e' is a brand known for its quality service and on-time delivery and execution.

Hybrid order book

We have a strong hybrid order book. Our presence in the government sector allows us to de-risk the business model and create a hedge in a sector marked by extensive unpredictability. Over the year our hybrid order book has grown significantly. We now have projects from both the public and private sectors. This hybrid service provides revenue and cash flow visibility for long-term growth.

Sector wise split



Marquee clientele

We continue to work with cash-rich organisations in order to safeguard our cashflows. Working with large public as well as private sector clients gives us the strength to withstand the volatility in the construction industry. We also develop a long-term relationship with our clients that increase the scope of profit generation and give us a good brand recall.

₹ 5,612 Crore

Public projects on-going

₹ 2,618 Crore

Private projects on-going

Focus on cash generation

We execute and manage our working capital efficiently while following to stringent cost control measures.

We are focused on a better working capital cycle & cash flows to continue our business growth. A Strong Cash Flow Focus leading to shortening receivables, moderating debt and helps in investing in latest technologies that accelerate construction and graduate to superior margin projects.

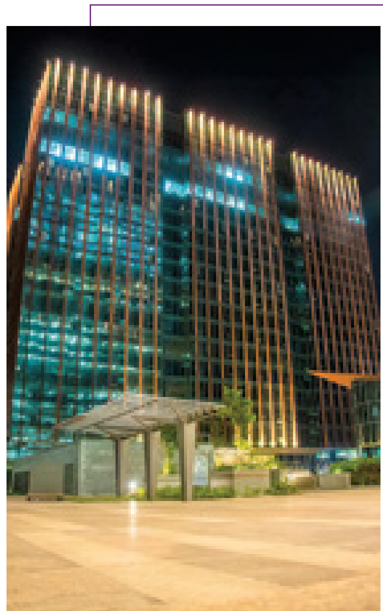
Cash and cash equivalents (**₹ in Cr.**)

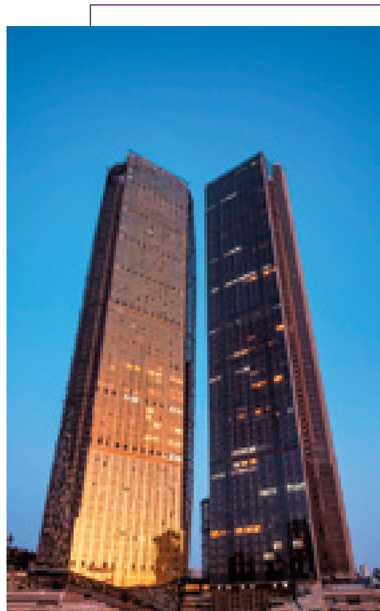
FY 2021-22	221
FY 2020-21	9.83
FY 2019-20	107.59

Committed to sustainability

We are commitment towards climate actions and strive to adopt eco-friendly technologies, processes and resources across all our activities.

OUR CREATIONS DOTTING THE SKYSCAPE


World Trade Centre
Brigade Group


The Park
Lodha


Mahalaxmi
Piramal

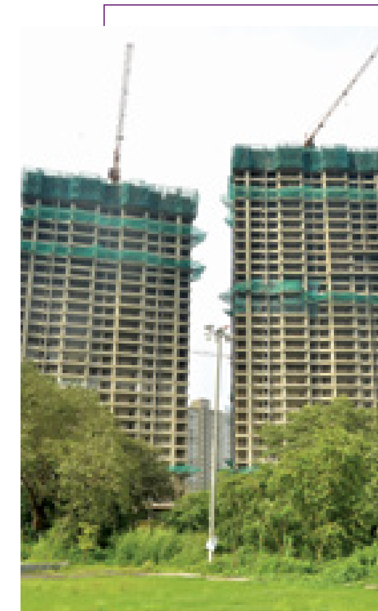

Juhu Bungalow
Oberoi


Altamount
Lodha


Saifee Burhani Upliftment Trust
Piramal


Excalibur
Nahar


Four Seasons


Kalpataru Immensa

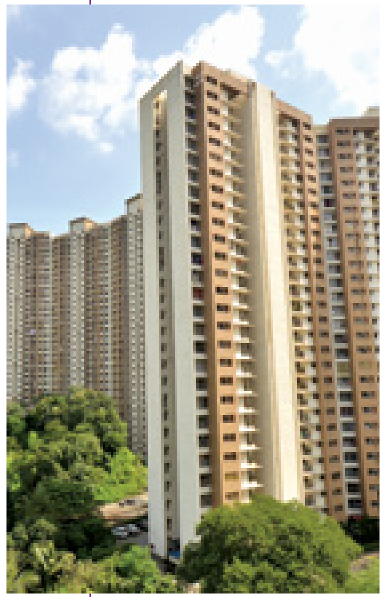

Oberoi Enigma


Thane
Neelkantha

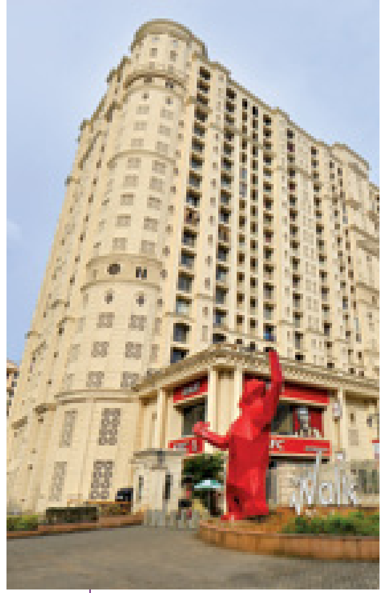

Emerald
Godrej

OUR CREATIONS DOTTING THE SKYSCAPE CONTD...

Auris Serenity



Splendora
Lodha



The Park
Hiranandani

TOWARDS A SUSTAINABLE TOMORROW

At Capacit'e, we have always deeply valued the environment, our people and the communities residing in the areas of our operation. Our sustainability approach is multi-pronged and covers Environmental, Social and Governance (ESG) aspects to create long-term value for all stakeholders.

ESG focus areas:

ESG overview

Environment

- **16%** Reduction of Cement consumption cost by substituting fly Ash in FY 2021-22
- **100%** usage of AAC block to minimise the usage of natural clay bricks
- We are following green building concept in almost **60%** of the project.

Social

- **1,654** Total employees
- **25:1** Diversity ratio
- **5.28** Total investments activities

Governance

- **ISO 9001:2015** (Quality Management System)
- **ISO 14001:2015** (Environmental Management System)
- **ISO 45001:2018** (Occupational Health & Safety Management System)

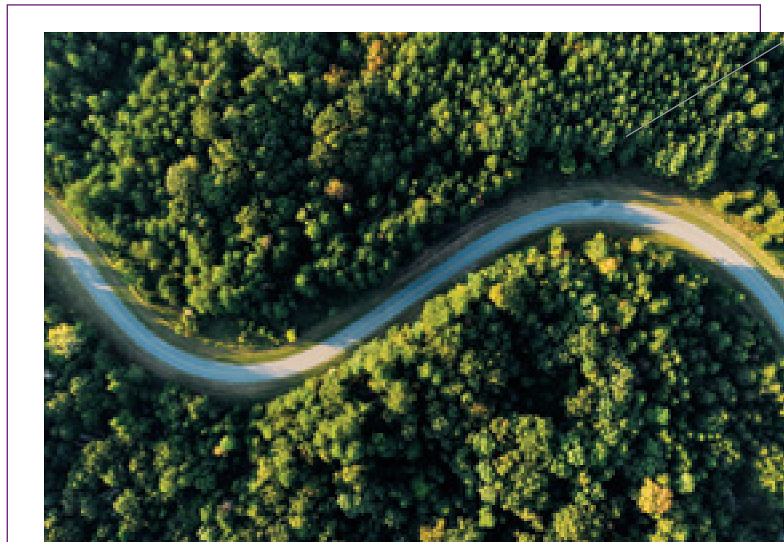
Committed to reducing our environment footprint

We strive to reduce our impact on the environment through our operations. We constantly identify our environmental impact and take necessary action to reduce our carbon footprint.

Energy conservation

Our involvement in residential and commercial development projects lead to huge amount of energy consumption in our operations. We endeavour to optimise the use of energy in our operations. Construction of residential and commercial buildings are done in municipal limits of various cities where electricity is the primary source of energy.

Diesel is also used to power certain plants and machinery and to provide essential back up. To optimise energy consumption, energy efficient machinery and light fixtures are deployed for construction of buildings. In addition, preventive maintenance is done to maintain efficiency of both plant and machinery.



TOWARDS A SUSTAINABLE TOMORROW CONTD...

Water management

Water is essential to our operations. Access to clean water and sanitation is also a key UN Sustainable Development Goal. Prioritising steps to optimise our water usage is a main focus for us.

Our construction activities source water mainly from third parties like municipalities or tankers. We have installed metres on our water storage tanks to keep track of our water usage.

Sewage water and waste water is treated and reused at the sites for gardening and dust controlling. Additionally, rainwater harvesting is done to supplement concrete curing water requirements.

Waste management

Our waste management system stands on three pillars:

- Deploying economically viable best available technology for construction
- Application of 3R concept (reuse, recycle and recovery)
- Disposal / treatment of residual waste

Construction debris, construction/ curing wastewater, and sewage from camp and site offices are the three principal waste streams created by our construction project sites. We reuse construction debris for back filling, curing wastewater is reused at the site after primary treatment for eliminating dust and waste steel bars are recycled to manufacture secondary steel.

Disaster Management

Extreme natural events hamper our facilities, machinery and services. We analyse the risk caused by the natural events and have put in place proper risk assessment system. For this activity, external experts and specialists are enlisted to assess risks, identify measures to minimise the risk, and evaluate the effectiveness of the measures.

Providing a safe and enabling environment

Our people are the engineers of our success. We believe in encouraging, collaborating and creating opportunities for an individual to develop and grow. We strive to provide a fair, performance-driven and conducive work environment.

Diversity

We believe in a gender-neutral workplace and we work towards promoting a culture of inclusiveness. We believe in a transparent and fair selection process that is based on equality and compatibility in order to find the best candidate. We are committed to provide a discrimination-free working environment irrespective of gender, cast, creed, religion, or language.

Health and safety management

We have always been at the forefront of ensuring health, safety and well-being of all our employees. We actively follow applicable rules and regulations such as ISO 45001:2018, ISO 9001:2015, and ISO 14001:2015. We are committed to putting health and safety first and have been striving to provide a safe working environment. We train our employees in health and safety measures to ensure safety at our operational site.

Particulars	2020-21	2021-22
HSE Trainings	1,346	1,453
HSE Tool Box Talk	7,645	8,432
HSE Safety Walk Through	789	1,432
Safe Man Hour Worked (In Millions)	2,89,30,000	4,36,84,428

Training and development

We constantly invest in training our employees thorough our various training and development initiatives, including induction training for new workers, need-based training for the employees, and a variety of motivating activities to boost engagement and involvement. We have developed an ecosystem where we engage with our employees on a continuous basis that helps in the overall performance of the employees.

Soft & Behavioral Training

- Building and Sustaining a Transformational Leadership Culture
- Result Orientation With Execution Excellence
- Personal and Team Effectiveness
- Communication & Presentation

General Training

- AutoCAD Training
- Advance Excel Training

QA/QC

- Workshop on Quality- First Time Right, Concrete ,Reinforcement, Blockwork, Plaster,Formwork

~9,700

Hours of training

Data security

Data security is the practice of protecting digital information from unauthorized access, corruption, or theft throughout its entire lifecycle. To ensure data protection, we have our own set of data security protocols which are implemented by a team of IT professionals, which includes mainly **1) Confidentiality** - Ensures that data is accessed only by authorized users with the proper credentials. **2) Integrity** - Ensure that all data stored is reliable, accurate, and not subject to unwarranted changes and **3) Availability** - Ensures that data is readily and safely accessible and available for ongoing business needs. Firewall is used to manage data traffic, Antivirus / Ransomware software for on premise / cloud servers and endpoints. We also have on premise NAS storage and Cloud Storage to backup critical applications / databases with data backup rule sets.

Supply chain management

To ensure smooth supply network we believe in building a strong and long-term relationship with our supply chain partners. We do conduct supply chain risk assessments. Capabilities, timeliness, quality, and pricing are common denominators used to choose a vendor for a certain product or service. As a result, we keep track of the suppliers' records, including their social and environmental performance, which is factored into procurement choices.

Centralised Resource procurement planning for all the sites, limiting the number of vendors to achieve economy of scales and dedicated supplies,

Corporate social responsibility

Giving back to society is an important part of our corporate culture, and we strive to help improve social infrastructure through our CSR initiatives. Our regular interaction with the communities ensure all-round development of the communities. We believe in creating long- term value for our communities through our initiatives.

Currently, the focus areas of CSR activities are:

- promotion of health care;
- disaster management, including relief, rehabilitation and reconstruction activities.

₹ 1.70 Crore

CSR expenditure

TOWARDS A SUSTAINABLE TOMORROW CONTD...

Guided by inherent values

We work hard to uphold the highest standards of ethical business practises, which are in line with worldwide benchmarks and legal requirements. We aim to build a sustainable and open corporate governance framework in our organisation. We believe that a sound corporate governance framework will enable us to deliver sustainable value to our stakeholders.

Board diversity

Our board's diverse knowledge and years of expertise have a significant contribution to our Company's decision-making process.

Code of conduct

All of our workers, directors, and business partners are bound by our Code of Conduct, which ensures adherence to all applicable laws and conventions in financial and non-financial management, as well as fair, transparent, and ethical workplace and commercial practises.

Whistle blower policy

We are committed to maintain a work environment that is free from discrimination and conducting business in fair and transparent manner. We are determined to uphold highest level of corporate ethics and behaviour.

We also have a Whistle blower policy that contributes to the effectiveness of our Code and allows our stakeholders to raise a red flags regarding any business decisions or incidents of misbehaviour. It motivates each of the Company's directors and senior management members to conduct themselves prudently as per the Company's values, and maintain a culture of honesty.

Corporate policies

We actively review our corporate policies, structure, policies and process in order to ensure adoption and maintain of best practices. Our Board of Directors are responsible for formulating and implementing sound corporate governance policies and practices across the organisation.

BOARD OF DIRECTORS

Mr. Rahul R. Katyal
Managing Director

With experience spanning over 27 years, he has been associated with the Company since its incorporation. He currently heads business development, client relationship and operations at the Company.

Mr. Rohit R. Katyal
Executive Director & Chief Financial Officer

With an experience spanning over 30 years, he looks after the financial, commercial and accounts functions at the Company. He has a Bachelors' degree in Commerce from the University of Mumbai with specialisation in financial accounting and auditing.

Mr. Subir Malhotra
Executive Director

With an experience spanning over 32 years, he has been with the Company since its incorporation. He currently looks after business development and operations of the Company in Northern India.He has a Bachelor's degree in Civil Engineering (honours) from the Birla Institute of Technology & Science, Pilani.

Mr. Sumeet S. Nindrajog
Non-Executive Director

With an experience spanning over 21 years, he has been associated with the Company for Seven years. He has a Bachelors' degree in Economics from the University of Pennsylvania. Prior to joining the Company, he worked at Ares Management in Los Angeles and for UBS in investment banking. He is currently a partner at Paragon Advisor Partners LLP.

Mr. Siddharth D. Parekh
Non-Executive Director

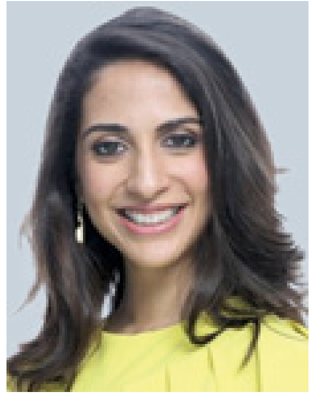
With an experience spanning over 20 years, he has been associated with the Company for Six years. He has a Bachelors' degree in Economics from the University of Pennsylvania. Prior to joining the Company, he worked for the International Finance Corporation in Washington D.C. and the Boston Consulting Group in New York City. He is currently a partner at Paragon Advisor Partners LLP.

Mr. Arun Vishnu Karambelkar
Independent Director

With an experience spanning over 40 years in the energy, transportation and infrastructure business, he brings to the table his in-depth expertise in the areas of engineering, costing, design, procurement, construction and outsourcing, apart from general management skills. He is a silver medallist with a Bachelor's degree in Mechanical Engineering from the Mumbai University and has a Master's degree in Material Management from the Pune University.

Dr. Manjushree Ghodke
Independent Director

With an experience spanning over 37 years as an Economist in India with leading organisations including leading infrastructure company, she brings to the table her in-depth experience in the areas of economy, banking & finance. She holds PhD from University of Mumbai in the areas of "Financing of Urban Infrastructure". She has done her Post Graduation in Economics from Gokhale Institute of Politics & Economics, Pune University. She Graduated from Lady Shri Ram College, University of Delhi.



Ms. Farah Nathani Menzies
Independent Director

With an experience spanning over 13 years, she has been associated with the Company for five years. She holds B.A.-B. Sc. degree from the University of Pennsylvania's Wharton School and an MBA degree from the Harvard Business School.

CORPORATE INFORMATION

Board of Directors

Mr. Arun Vishnu Karambelkar
Chairman of the Board
(Non Executive, Independent Director)

Mr. Rahul R. Katyal
Managing Director &
Chief Executive Director

Mr. Rohit R. Katyal
Chairman of the Company
Executive Director &
Chief Financial Officer

Mr. Subir Malhotra
Executive Director

Mr. Siddharth D. Parekh
Non-Executive,
Non Independent Director

Mr. Sumeet S. Nindrajog
Non-Executive,
Non Independent Director

Dr. Manjushree Ghodke
Non-Executive, Independent Director

Ms. Farah Nathani Menzies
Non- Executive, Independent Director

Company Secretary & Compliance Officer

Ms. Varsha Malkani
Appointed w.e.f. August 10, 2021

Compliance Officer

Mr. Prakash B Chavan
From May 8, 2021 to August 10, 2021

Chief Executive Officer

Mr. Saroj Kumar Pati
Upto November 30, 2021

Mr. Rahul Katyal
From December 01, 2021

Board Committees

Audit Committee

Mr. Arun Vishnu Karambelkar
Chairperson

Dr. Manjushree Ghodke
Mr. Sumeet S. Nindrajog
Ms. Farah Nathani Menzies

Nomination and Remuneration Committee

Dr. Manjushree Ghodke - Chairperson
Ms. Farah Nathani Menzies
Mr. Arun Vishnu Karambelkar
Mr. Sumeet S. Nindrajog

Stakeholders' Relationship Committee

Mr. Sumeet S. Nindrajog - Chairperson
Mr. Rohit R. Katyal
Mr. Arun Vishnu Karambelkar

Corporate Social Responsibility Committee

Mr. Rohit R. Katyal - Chairperson
Mr. Sumeet S. Nindrajog
Dr. Manjushree Ghodke
Mr. Arun Vishnu Karambelkar
Ms. Farah Nathani Menzies

Risk Management Committee

Mr. Rahul R. Katyal - Chairperson
Mr. Rohit R. Katyal
Mr. Subir Malhotra
Mr. Sumeet S. Nindrajog
Mr. Arun Vishnu Karambelkar

Registered & Corporate Office:

605-607, 6th Floor , A Wing ,Shrikant Chambers, Phase – I,
Adjacent to R K Studios,
Sion-Trombay Road,Chembur,
Mumbai – 400 071, Maharashtra, India
Tel: +91- 22- 71733717,
Fax: +91- 22- 71733733
Website: www.capacite.in
Email ID: compliance@capacite.in
CIN: L45400MH2012PLC234318

Statutory Auditor

M/s. S R B C & CO. LLP,
Chartered Accountants

Cost Auditor

M/s. Y. R. Doshi & Associates,
Cost Accountants

Secretarial Auditor

M/s. Shreyans Jain & Co,
Company Secretaries

Lenders/ Bankers

State Bank of India
Union Bank of India
Punjab National Bank
Bank of Baroda
Yes Bank Limited
HDFC Bank Limited
RBL Bank Limited
IndusInd Bank
CSB Bank Limited

Registrar & Transfer Agents

KFin Technologies Limited
(formerly known as KFin Technologies Private Limited)
Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda,
Hyderabad - 500 032
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DIRECTORS' REPORT

To
The Members of
CAPACIT'E INFRAPROJECTS LIMITED

Your Directors are pleased to present their Tenth Report on the business and operations of the Company along with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended March 31, 2022.

Summary of Financial Performance:

Key highlights of the Financial performance of the Company, for the financial year ended March 31, 2022 compared to previous financial year are as follows:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from operations	1,33,478.74	87,972.19	1,33,478.74	87,972.19
Other income	1,307.72	2,871.92	1,313.59	2,879.54
Total Income	**1,34,786.46**	**90,844.11**	**1,34,792.33**	**90,851.73**
Profit Before Depreciation and Amortisation & finance costs	22,657.40	16,523.74	22,662.97	16,527.94
Less: Depreciation & amortisation	9,881.31	9,016.23	9,881.31	9,016.23
Less: Finance Costs	6,696.41	7,025.45	6,697.82	7,029.65
Profit before tax	6,079.68	482.06	6,083.84	482.06
Add: Share of profit/ (loss) of Joint Venture and Associate	-	-	(74.12)	(24.29)
Less: Tax expenses (including Deferred Tax)	1,611.20	303.01	1,611.20	304.55
Net Profit after Tax (1)	4,468.48	179.05	4,398.52	153.22
Other Comprehensive Income/ (Loss) (2)	26.57	138.53	26.57	138.53
Total Comprehensive Income/ (Loss) (1+2)	4,495.05	317.58	4,425.09	291.75
Balance of profit/ loss for earlier years	40,402.37	40,084.79	40,364.96	40,088.11
Impact on adoption of Ind AS 115	-	-	-	-
Less: Transfer to Debenture Redemption Reserve	-	N.A.	-	N.A.
Less: Transfer to Reserves	-	-	-	-
Less: Dividend paid on Equity Shares	-	N.A	-	N.A
Less: Dividend paid on Preference Shares	-	N.A	-	N.A
Less: Dividend Distribution Tax	-	N.A	-	N.A
Less: Adjustment for joint venture	-	-	-	(14.90)
Balance carried forward	**44,897.40**	**40,402.37**	**44,790.05**	**40,364.96**

Note: Previous year's figures have been regrouped/ rearranged wherever considered necessary.

a) Review of Company's operations:

The Company is engaged in construction of buildings & factories with specializion in construction of Highrise and Super High-rise residential, commercial, institutional buildings including super speciality hospitals etc.

As a sector focused Construction Company, a varied order book from some of the most prominent clients from private as well as public sector, lean balance sheet and a flexible management with adaptability to change, we have carved a niche in the Factory & Building space within a short span of time.

Business Impact of Covid-19:

During fiscal 2022, India saw second and third waves of COVID-19 driven by the highly transmissible Delta and Omicron COVID variants respectively. This led to a fresh set of restrictions in the country which impacted the economic activity, although to a lower extent as compared to the previous fiscal year. The Company's operations have signficantlly recovered from the impact of COVID 19 and there are no significant continuing impact on the operations and financial statement of the Company. The Management is continuously monitoring the current development and possible effects of COVID -19 pandemic on its financial conditions, liquidity and operations. Significant measures were implemented to ensure safety of employees and workers of the Company and safety measures continue to be in force at all our sites and offices.

The Indian economy is growing, and the real estate market is seeing more demand. We believe that the economy will grow at a higher pace in the coming years. The outbreak of Covid 19 had many challenges for the sector however, the sector has only got stronger. Commercial establishments have also improved their technology and modified it to meet new norms. Many well-organized developers are planning robust launches. Affordability and Mid-Income housing will continue to dominate, whereas premium and luxury segments will see marginal gains. The pandemic infused trends coupled with higher affordability, and other favourable factors expanded the realty growth, and it is likely to lead the sector's growth in the coming years. There has been a significant push from the government towards healthcare sector. Recently, we have been awarded with the project at Bhandup (Mumbai) in healthcare segment. Going forward, Our focus as always remains towards sustainability & recovery in our execution, operation and collection.

For further details on the Company's performance, operations and strategies for growth, please refer to the Management Discussion and Analysis section which forms a part of this Annual Report.

There was no change in nature of the business of the Company.

b) Share Capital:

The Paid up Equity Share Capital of the Company as on March 31, 2022 was ₹ 67,89,14,970 divided into 6,78,91,497 Equity shares having face value of ₹ 10 each. During the year under review, the Company has not issued any shares with differential rights, sweat equity shares and equity shares under Employees Stock Option Scheme.

c) Dividend:

Considering the uncertainties due to the pandemic and to conserve the funds for future business growth, your Directors have not recommended any dividend for the Financial Year 2021-22.

d) Transfer to Reserves:

The Board of Directors of your Company has not recommended transfer of any amount of profit to the reserves during the year under review.

e) Material changes and commitments, if any, affecting the financial position of the Company, having occurred since the end of the Year and till the date of the Report:

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year under review and the date of this report.

f) Capital Expenditure:

During financial year 2021-22, Company had incurred 13,012.55 Lakhs towards capital expenditure primarily towards purchase of equipments, plant & machinery, IT and technology upgradation expenses, implemented compliance software and other administrative expenses.

g) SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

Subsidiary Company:

CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited continues to be Wholly-owned Subsidiary of the Company as on March 31, 2022.

Subsequent to the approval of Board of Directors of the Company for Scheme of Amalgamation of CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited with the Company under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Act"). After complying with the directions issued by Hon'ble NCLT vide its order dated 15.04.2021 and the Company has submitted the petition with Hon'ble NCLT and which is pending for admission.

Performance of Subsidiary:

Pursuant to the provisions of section 129(3) of the Act read with rule 5 of Companies (Accounts) Rules, 2014, a statement containing salient features of Financials of the subsidiary in Form AOC-1 is annexed as (**Annexure I**).

The Company has adopted a Policy for determining the criteria of material subsidiaries which is available on Company's website at www.capacite.in.

Joint Venture and Associate Company:

TCC Constructions Private Limited and TPL-CIL Constructions LLP are project specific Associate entities formed for execution of project awarded by MHADA for redevelopment of BDD Chawls, Worli, Mumbai and Captech Technologies Private Limited continue to be Company's Associate Company during the year.

Consolidated Financial Statements:

In accordance with the provisions of Section 129(3) of the Act as amended from time to time, the Consolidated Financial Statements form part of this Annual Report and will also be laid before the ensuing Annual General Meeting of the Company. The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind - AS compliant Schedule III), as applicable to the Consolidated Financial Statements.

The Company will make available the said financial statements and related information of the Subsidiary upon written request by any member of the Company. These financial statements are kept open for inspection by any member at the Registered Office of the Company and the Subsidiary Company and are also be available at website of the Company www.capacite.in.

h) Credit Rating:

India Ratings and Research (Ind-Ra) has affirmed the Company's Long-Term Issuer Rating at 'Ind BBB' (Outlook Stable).

i) Particulars of Loans, Guarantees, Investments and / or Securities:

The Company is in the business of providing infrastructural facilities, and thus the provisions of Section 186 are not applicable to the Company, except sub-section (1) of Section 186 of the Act.

j) Fixed Deposits:

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

k) Non-Convertible Debentures:

During the financial year ended March 31, 2022., the Board of Directors of the Company has approved the raising of funds upto ₹15,000 Lakhs in the form of senior, unlisted, non-convertible debentures. Pursuant to which your Company has raised ₹10,000 Lakhs after the end of the Financial Year.

l) Particulars of Contract/s or arrangement/s with Related Parties:

All contracts/ arrangements/ transactions entered into by the Company during the financial year with related parties were in the ordinary course of business, on arm's length basis and in compliance with the applicable provisions of the Act and the Listing Regulations. During the financial year under review, none of the contracts/ arrangements/ transactions entered into with related parties required shareholders' approval under provisions of the Act and the Listing Regulations.

Related Party Transactions which are in the ordinary course of business and on an arm's length basis, of repetitive nature and proposed to be entered during the financial year were placed before the Audit Committee for prior omnibus approval. A statement giving details of all Related Party Transactions, as approved, are placed before the Audit Committee for review. The Company has adopted a framework for the purpose of identification and monitoring of such Related Party Transactions.

Particulars of contracts / arrangements / transactions with related parties as referred to in Section 188(1) of the Act for the Financial Year 2021-22 are given in prescribed format Form AOC – 2 as specified under the provisions of Section 134(3)(h) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014 which is annexed as (**Annexure II**).

Further members may refer to note no 40 of standalone financial statement which set out related party transactions as per the Ind AS.

The Company has adopted a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions which is available on Company's website www.capacite.in.

m) Directors and Key Managerial Personnel (KMPs):

Directors:

The Nomination & Remuneration Committee has been mandated to review, recommend appointment/s, terms of appointment/ re-appointment of Director/s and KMPs based on the Company policies, industry requirement and business strategy.

During the year, Ms. Farah Nathani Menzies, (DIN: 06610782) had been regularised as Independent Director (Non Executive) from an Additional Director (Non-Executive, Independent) of the Company in the Annual General Meeting held on September 07, 2021.

During the year Mr. Arun Vishnu Karambelkar, (DIN: 02151606) was re-appointed as Independent Director (Non Executive) for second term of 5 years w.e.f. May 18, 2021 and approved by Shareholders in the Annual General Meeting held on September 07, 2021.

Mr. Rahul Ramnath Katyal has been appointed and re-designated as the Managing Director & Chief Executive Officer with effect from December 01, 2021 in the Board Meeting dated November 11, 2021.

Appointments / Re-Appointments:

In accordance with the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. Rohit Ramnath Katyal, Executive Director (DIN: 00252944), retires by rotation at the ensuing 10th Annual General Meeting and being eligible, offered himself for re-appointment. The Board recommends his re-appointment.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on August 09, 2022 had approved the re-appointment of, Mr. Rahul Ramnath Katyal (DIN: 00253046) as Managing Director of the Company w.e.f. September 4, 2022 to September 03, 2025, subject to approval of Shareholders of the Company. Further, Mr. Rahul Katyal being eligble, offered himself for re-appointment as Managing Director.

Details of Mr. Rohit Katyal and Mr. Rahul Katyal required by Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Clause 1.2.5 of the Secretarial Standard 2, are given in the Annexure to the Notice of the 10th Annual General Meeting.

Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year:

As per Rule 8 of Companies (Account) Amendment Rules, 2019 in opinion of Board of directors, all the above Individuals appointed / reappointed / regularised as Independent Director are persons of Integrity and possesses relevant expertise and experience.

Further, as per Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014 every individual whose name is so included in the data bank under sub-rule (1) shall pass an online proficiency self-assessment test conducted by the institute within a period of Two years from the date of inclusion of his/her name in the data bank, failing which, his/her name shall stand removed from the databank of the institute. All the Independent Directors which are falling under the critieria have complied with the proficiency test.

Declarations by Independent Directors and Senior Management Personnel on compliance of code of conduct:

The Company has received and taken on record the declarations with respect to independence from all Independent Directors of the Company in accordance with Section 149(7) of the Act confirming their independence as prescribed thereunder as well as Regulation 25(8) of the Listing Regulations and also regarding compliance of the Code for Independent Directors prescribed in Schedule IV to the Act.

The Independent Directors of the Company have confirmed that they have registered their names with the Institute of Corporate Affairs for inclusion of their name in the data bank for a period of one year, as per the provisions of Rule 6 of The Companies (Appointment and Qualifications of Directors) Rules, 2014.

Also Senior Management Personnel including Executive Directors have submitted their disclosures under Regulation 26(3) of the Listing Regulations affirming compliance with the Code of Conduct for Directors and Senior Management Personnel.

Familiarisation Programme:

In compliance with the requirements of the Listing Regulations, the Company undertakes a familiarisation programme for the Independent Directors to familiarise them with their roles, rights and responsibilities as Independent Directors, nature of the industry, the operations of the Company, business model, risk management etc. The details of the programme are available on the Company website at www.capacite.in.

The Company issues a formal letter of appointment to the Independent Directors outlining their role, functions, duties and responsibilities, the format of which is available on the Company's website at www.capacite.in.

Key Managerial Personnel (KMPs):

In terms of Section 203 of the Act, the following are the Key Managerial Personnel of the Company:

Mr. Rahul R. Katyal	: Managing Director & Chief Executive Officer (CEO from December 1, 2021)
Mr. Rohit R. Katyal	: Executive Director & Chief Financial Officer
Mr. Subir Malhotra	: Executive Director
Mr. Saroj Kumar Pati	: Chief Executive Officer upto November 30, 2021
Ms. Varsha Malkani	: Company Secretary From August 10, 2021

Ms. Varsha Malkani was appointed as Company Secretary & Compliance officer during the year and she had resigned from the post w.e.f. May 07, 2021 and appointed as Company Secretary & Compliance Officer w.e.f. August 10, 2021

n) Disclosures Related to Board, Committees and Policies:

Board Meetings:

The Board of Directors met 6 (six) times during the financial year under review. For details of the meetings of the Board, please refer to the Corporate Governance Report which forms part of this Board's Report.

In terms of requirements of Schedule IV of the Act, a separate meeting of Independent Directors was also held on March 31, 2022 to review the performance of Non Independent Directors (including the Chairperson), the entire Board and its Committees thereof, quality, quantity and timelines of the flow of information between the Management and the Board.

Your Company complies with all applicable provisions of Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government under the Companies Act, 2013.

Audit Committee:

The composition of the Audit Committee is in conformity with the provisions of the Section 177 of the Act, and Listing Regulations.

The terms of reference of the Audit Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of this Report. Further all the recommendations made by the Audit Committee were accepted by the Board during the year.

Nomination and Remuneration Committee:

The composition of the Nomination and Remuneration Committee is in conformity with the provisions of the Section 178 of the Act and Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of this Board's Report.

The Company has Nomination and Remuneration policy, which lays down a framework in relation to appointment and remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The policy broadly lays down guiding principle for appointment or removal of Directors, Key Managerial Personnel and Senior Management and provides the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and formulation of criteria for evaluation of performance of the Board, its Committees and Directors. The above policy is available on the website of the Company at www.capacite.in.

Stakeholders' Relationship Committee:

The composition of the Stakeholders Relationship Committee is in conformity with the provisions of the Regulation 20 of the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of this Board's Report.

Corporate Social Responsibility Committee:

In accordance with the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has constituted Corporate Social Responsibility (CSR) Committee. The Committee is entrusted with the responsibility of:

- Formulating and recommending to the Board, Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken,
- monitoring the implementation of the framework of the CSR Policy, and
- recommending the CSR amount to be spend on the CSR activities.

The Board in its meeting held on August 10, 2021, approved CSR budget of Rs 170.42 lakhs for the year 2021-22. The Company had carried forward available balance of Rs 318.95 lakhs which was utilised for meeting current year CSR obligations and balance of Rs 148.53 Lakhs is available for set off against CSR expenditures as permissible under Section 135 (5) of Companies Act, 2013. Further details of the Company's CSR activities are specified in (Annexure III). The CSR Policy is also placed on the website of the Company at www.capacite.in.

The particulars of meetings held and attendance there at are mentioned in the Corporate Governance Report forming part of this Board's Report.

Directors' Responsibility Statement:

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory, Cost and Secretarial Auditors including Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during the financial year 2021-22.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, in relation to the audited financial statements of the Company for the year ended March 31, 2022 confirm that:

a. in the preparation of the accounts for financial year ended March 31, 2022, the applicable accounting standards had been followed and there are no material departures;

b. they have selected such accounting policies and applied consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profits of the Company for that year;

c. they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts of the Company have been prepared on a 'going concern' basis;

e. they have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and operating effectively;

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Vigil Mechanism /Whistle Blower Policy:

The Company's Board of Directors, pursuant to the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 22 of Listing Regulations has adopted 'Vigil Mechanism Policy' for Directors and employees of the Company. The policy is to provide a mechanism, which ensures adequate safeguards to employees and Directors from any victimisation on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, and so on. The employees of the Company have the right/ option to report their concern / grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Vigil Mechanism Policy is available on the Company's website at www.capacite.in.

There were no such reports, information received by the Chairman of the Audit Committee during the year under review.

Risk Management :

The Board has constituted Risk Management Committee and has adopted the Risk Management Policy and Guidelines to assist the Board in identification, assessment and management of various operational, strategic, financial, external risks which may have negative impact on the Company's business. Risk identification, assessment and management is a continuous process and is regularly reviewed and updated based on the industry and business requirements.

The composition of the Risk Managment Committee is in conformity with the provisions of the Regulation 21 of the Listing Regulations.

The terms of reference of the Risk Managment Committee and the particulars of meetings held and attendance thereat are mentioned in the Corporate Governance Report forming part of this Board's Report.

Annual Evaluation of Board Performance and Performance of its Committees and of Directors:

Pursuant to the applicable provisions of the Act and the Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of all the Directors and its Committees based on the evaluation criteria as defined by Nomination and Remuneration Committee (NRC).

The Board's performance was evaluated on various aspects, including inter-alia the Structure, meetings, functions, degree of fulfilment of key responsibilities, establishment and delegation of responsibilities to various Committees, Effectiveness of Board Processes, information and functioning.

The Committees of the Board were assessed on the degree of adequacy of Committee composition, fulfilment of key responsibilities, and effectiveness of the meetings. The Directors were evaluated on aspects such as attendance, contribution at Board/Committee Meetings based on technical, financial expertise and industry requirements and guidance/support to the Management with respect to matters other than those discussed at Board/Committee Meetings.

Also, the performance of Non-Independent Directors, Board as a whole, individual peer review and the Chairman were evaluated in a separate meeting of Independent Directors was held on March 31, 2022. The Nomination & Remuneration Committee & Board thereafter, in its meeting held on August 09, 2022, evaluated the performance of all the Directors for financial year 2021-22 on the basis of their role and responsibilities, effective participation in the Board and Committee meetings, expertise, skills and exercise of independent judgment in major decisions of the Company.

o) Particulars of Employees:

The statement of disclosure of Remuneration under Section197(12) of the Act read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('Rules') is appended as Annexure IV to this Report.

The information as per the provisions of Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Rules is provided in a separate annexure forming part of this Report. However, the Annual Report is being sent to the Members of the Company excluding the said annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office as well as Corporate Office of your Company. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary of the Company.

p) Internal Financial Controls and adequacy:

The Company's Internal Financial Control framework is commensurate with the size and the nature of its operations. Company has designed and adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, compliance with applicable statutes, regulations, the safeguarding disclosure of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation and of reliable financial information.

The details of internal financial control systems and their adequacy are included in Management Discussion and Analysis Report, which forms part of the Annual Report.

q) Reporting of Frauds:

There was no instance of fraud during the year under review, which are required by the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and the rules made thereunder.

r) Auditors and Reports:

a) Statutory Audit:

The Shareholders of the Company at 9th Annual General Meeting had approved re-appointment of M/s. S R B C & CO. LLP, Chartered Accountants (Firm Registration No.: 324982E/E300003) as the Statutory Auditors of the Company to hold office for 4 years from the conclusion of the Ninth Annual General Meeting till the conclusion of the Thirteenth Annual General Meeting of the Company.

The Company has received a certificate from M/s. S R B C & CO. LLP, Chartered Accountants, confirming their eligibility and non disqualification from continuing as Statutory Auditors of the Company.

The Auditors Report on Standalone and Consolidated Financial Statements for the financial year ended March 31, 2022, does not contain any qualification, adverse remark or reservation and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Act.

b) Secretarial Audit :

Pursuant to the provisions of Section 204 of the Act and the rules made there under, the Company had appointed M/s. Shreyans Jain & Co, Practising Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2022. The Secretarial Audit Report issued in this regard is annexed as (**Annexure V**).

The Secretarial Audit Report for the financial year ended March 31, 2022, does not contain any qualification or reservation or adverse remark.

c) Internal Audit and Controls:

M/s. Mahajan & Aibara LLP, Chartered Accountants, Internal Auditors of the Company have carried out internal audit for the financial year ended March 31, 2022. The findings of the Internal Auditors are discussed on the on-going basis in the meetings of the Audit Committee and various steps have been taken in due course to implement the suggestions of the said Internal Auditor.

The Board of Directors based on review and recommendation of Audit Committee during their Meeting held on May 27, 2022, has appointed M/s. Mahajan & Aibara LLP, Chartered Accountants, as Internal Auditors to carry out internal audit and submit Reports for the financial year 2022-23.

d) Cost Records and Audit:

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company has maintained proper cost records as required under the Act and the Board of Directors, at their Meeting held on May 27, 2022, appointed M/s. Y. R. Doshi & Associates, Cost Accountants, as Cost Auditor of the Company for conducting the Cost Audit for the financial year 2022-23.

A Certificate from M/s. Y. R. Doshi & Associates, Cost Accountants, has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

A resolution seeking Member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 10th Annual General Meeting and the same is recommended for your consideration and ratification.

General Disclosures

General disclosures as per the provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014, are furnished as under:

Annual Return:

In accordance with Section 92(3)Annual Return as referred in Section 134(3)(a) of the Act for the financial year ended March 31, 2022 is available on the website of the Company at www.capacite.in

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information as required under the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in (**Annexure VI**) which forms part of this Report.

Corporate Governance

In compliance with the Regulation 34 read with Schedule V of the Listing Regulations, a detailed report on Corporate Governance is given as an Annexure and forms an integral part of this Annual Report. A Certificate from the M/s S R B C & Co. LLP, Chartered Accountant confirming compliance of the conditions of Corporate Governance as stipulated under the SEBI Listing Regulations is appended to the Corporate Governance Report. A Certificate of the CEO and CFO of the Company in terms of Regulation 17(8) of the Listing Regulations is also annexed.

Management Discussion and Analysis

Pursuant to Regulation 34 of the Listing Regulations, a separate section on Management Discussion and Analysis for the year ended March 31, 2022 forms an integral part of this Annual Report.

Information under Sexual Harassment of Women At Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rule 8 of Companies (Accounts) Rules, 2018

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at work place in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The objective of the policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work place is to prevent, provide protection against and for redressal of complaints, if any, under sexual harassment and matters connected or incidental thereto of employees at workplace.

The Company has always been committed to provide a safe and dignified work environment to all its employees irrespective of gender which is free of discrimination, intimidation and abuse.

The Company has also constituted an Internal Complaints Committee to redress the complaints, if any, received regarding sexual harrasment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Committee comprises of:

Sr. No.	Name of Member	Designation	Position held in Committee
i)	Ms. Varsha Malkani	Company Secretary	Presiding Officer
ii)	Mr. Rohit R. Katyal	Executive Director & CFO	Member
iii)	Mr. Avinansh Bambra	Asst.Vice President-HR	Member
iv)	Mr. Ajay Pardeshi	Vice President-Admin	Member
v)	Adv Meghna Murudkar	Legal Consultant	Member

The Committee was re-constituted during the financial year 2021-22 and noted by the Board in its meeting held on May 27, 2022.

During the financial year, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harrasment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were two complaints pertaining to sexual harassment reported to the ICC of the Company. The Company and/or Committee resolved 2 (two) complaints during the financial year under review.

The following is a summary of sexual harassment complaints received and disposed of during the year:

(a) Number of complaints pending at the beginning of the year; Nil

(b) Number of complaints received during the year: 2

(c) Number of complaints disposed off during the year: 2

(d) Number of cases pending at the end of the year: Nil

Disclosure under the Insolvency and Bankruptcy Code, 2016, pursuant to Section 134 read with Rule 8 of Companies (Accounts) Rules, the following matters are also required to be included:

Following are the details of applications filed under corporate insolvency proceedings, by operational creditors against the Company:

Sr. No.	Operational Creditors	Status & Authority
1.	Continental Piling & Excavation Private Limited	Matter Disposed off by National Company Law Appleate Tribunal on dated July 14, 2022
2.	Sai Infra Equipments Private Limited	Sub-Judice with National Company Law Tribunal
3.	Nuvoco Vistas Corporation Limited	Withdrawal Application has been filed by Operational Creditor in National Company Law Tribunal, matter to be disposed off on the next date.
4.	RMD Kwikform India Private Limited	Sub-Judice with National Company Law Tribunal
5.	Technocraft Industries (India) Limited	Sub-Judice with National Company Law Tribunal

Following are the details of applications filed under corporate insolvency proceedings, by the Company against corporate debtors:

Sr. No.	Corporate Debtors	Status & Authority
1.	KMB Estates LLP	Matter Dispossed off by National Company Law Tribunal on dated January 06, 2022
2.	Ramakrishna Housing Pvt. Ltd.	Sub-Judice with National Company Law Tribunal
3.	Neelkamal Realtors Towers Pvt. Ltd	Sub-Judice with National Company Law Tribunal
4.	Radius Deserve Builders LLP	Sub-Judice with National Company Law Tribunal
5.	Siddhi Raj Housing Projects Pvt. Ltd.	Sub-Judice with National Company Law Tribunal

Disclosure on one-time settlement with Banks or Financial Institutions:

During the year under review, no one-time settlement is done with Banks and Financial Institutions.

Significant & Material Orders passed by Regulators or Courts or Tribunals:

There are no significant, material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operation. However, Members attention is drawn to the Statement on Contingent Liabilities and commitments in the Notes forming part of the Financial Statement.

Disclosure under Section 197(14) of the Act:

There is no receipt of any remuneration or commission from any of its Subsidiary Companies by the Managing Director or the Whole-Time Director of the Company.

Business Responsibility Report (BRR)

Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended mandate the inclusion of the BRR as part of the Annual Report for top 1,000 listed entities based on market capitalization. In compliance with the Regulation 32(f) of the Listing Regulations, the Business Responsibility Report of the Company for the year ended March 31, 2022 is attached as (Annexure VII) to this Report.

Acknowledgements:

Your Directors would like to place on record their sincere appreciation to Clients, business associates, bankers, vendors, government agencies and shareholders for their continued support.

Your Directors are also happy to place on record their sincere appreciation to the co-operation, commitment and contribution extended by all the employees of the Capacit'e family and look forward to enjoying their continued support and cooperation.

For and on behalf of the Board

Rahul R. Katyal
Managing Director & Chief Executive Officer
DIN: 00253046

Rohit R. Katyal
Executive Director & Chief Financial Officer
DIN: 00252944

Date : August 09, 2022
Place : Mumbai

ANNEXURE- I

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(Information in respect of each Subsidiary/ Associate Companies/ Joint Venture Companies)

Part "A": Subsidiaries

(₹ in Lakhs)

Sr. No.	Particulars	Name and Details of Subsidiary
1.	Name of the Subsidiary/Joint Venture/Associate Companies	CIPL – PPSL –Yongnam Joint Venture Constructions Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April 1, 2021 to March 31, 2022
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	INR
4.	Share capital	9.50
5.	Reserves and Surplus	-
6.	Total Assets	469.59
7.	Total Liabilities	469.59
8.	Investments	-
9.	Turnover	5.87
10.	Profit / (Loss)	4.16
11.	Tax Expense	0.00
12.	Profit after taxation	4.16
13.	Proposed Dividend	NIL
14.	% of shareholding	100

Names of subsidiaries which are yet to commence operations: NIL

Names of subsidiaries which have been liquidated or sold during the year: NIL

Part "B": Associates and Joint Ventures

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures)

Sr. No.	Particulars	Name and Details of Associate Companies and Joint Ventures				
1.	Name of Associates/Joint Ventures	PPSL- Capacite JV	TCC Construction Pvt. Ltd.	TPL-CIL Construction LLP	Capacit'e Viraj AOP	Captech Technologies Private Limited
2.	Balance Sheet Date	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
3.	Shares of Associate/Joint Ventures held by the company on the year end (in numbers)					
i)	Number	Not applicable	37,10,000 Equity shares having Face Value of ₹ 1 each	Not applicable	Not applicable	1,24,000 Equity shares having Face Value of ₹ 10 each
ii)	Amount of Investment in Associates/ Joint Ventures	NIL	INR 37,10,000	INR 35,00,000	INR 7,00,000	INR 12,40,000
iii)	Extent of direct/ indirect holding %	49.00	37.10	35.00	70.00	39.80
4.	Description of how there is significant influence	Joint Venture	Associate Entity	Associate Entity	Joint Venture	Associate Entity
5.	Accounting Method for Consolidation	Equity Method for consolidation	Equity Method for consolidation	Equity Method for consolidation	Equity Method for consolidation	Equity Method for consolidation
6.	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Lakhs)	3.80	(25.73)	(15.19)	(43.92)	(34.51)
7.	Profit / (Loss) for the year (₹ in Lakhs)	0.0	(2.27)	(4.45)	(26.20)	(38.90)
i.	Considered in Consolidation	Yes	Yes	Yes	Yes	Yes
ii.	Not Considered in Consolidation (₹ in Lakhs)	NA	NA	NA	NA	NA

Names of associates / joint ventures which are yet to commence operations: Nil

Names of associates / joint ventures which have been liquidated or sold during the year: Nil

For **CAPACIT'E INFRAPROJECTS LIMITED**

Rahul R. Katyal
Managing Director & Chief Executive Officer
DIN: 00253046

Rohit R. Katyal
Executive Director & Chief Financial Officer
DIN: 00252944

Date : August 09, 2022
Place : Mumbai

ANNEXURE II

Form No. AOC-2

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

1. Details of contracts or arrangements or transactions not at arm's length basis:-

All contracts / arrangements / transactions entered into by the Company with related parties during the financial year ended March 31, 2022 were at arm's length basis.

2. Details of material contract/s or arrangement/s or transaction/s at arm's length basis:

There were no material contracts / arrangements / transactions with related parties for the year under review and all contracts / arrangements / transactions with related parties are at arm's length basis and in ordinary course of business for the year ended March 31, 2022.

For **CAPACIT'E INFRAPROJECTS LIMITED**

Rahul R. Katyal
Managing Director & Chief Executive Officer
DIN: 00253046

Rohit R. Katyal
Executive Director & Chief Financial Officer
DIN: 00252944

Date : August 09, 2022
Place : Mumbai

Annexure III

Annual Report on Corporate Social Responsibility (CSR) activities during FY 2022 [Annexure -II]

1. Brief outline on CSR Policy of the Company.

Company strives to be a socially responsible and strongly believes that long term success and growth depends on the development and well being of the society at large. Company understands its co-extensive responsibility to put efforts to make positive contribution to the benefits of the society at large through small steps that help bring about big change in long term.

Currently, the focus areas of CSR activities are:

(i) promotion of health care;

(ii) disaster management, including relief, rehabilitation and reconstruction activities.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Rohit R. Katyal	Chairman of the Committee Executive Director & Chief Financial Officer	2	2
2	Mr. Sumeet S. Nindrajog	Member and Non- Executive Director	2	2
3	Mr. Arun Vishnu Karambelkar	Member and Independent Director	2	2
4	Ms. Farah Nathani Menzies	Member and Independent Director	2	1
5	Dr. Manjushree Nitin Ghodke	Member and Independent Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The Company has framed a CSR policy, constituted CSR Committee and approved CSR Project in compliance with the provisions of the Act and the same has been available on the Company's website at https://www.capacite.in/corporate-governance/#1523855515458-5d99829b-c46d

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable for the year under review.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be set-off for the financial year, if any (₹ in Lakhs)
1	2021-22	318.95	170.42

6. Average net profit of the company as per section 135(5).: **₹8521.04 Lakhs**

7. (a) Two percent of average net profit of the company as per section 135(5) : **₹170.42 Lakhs**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: **NIL**

   (c) Amount required to be set off for the financial year, if any: **₹170.42 Lakhs**

   (d) Total CSR obligation for the financial year (7a+7b-7c).: **NIL**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	Not Applicable		Not Applicable		

   (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL												

   (c) Details of CSR amount spent against other than ongoing projects for the financial year: **NIL**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration number
NIL									

   (d) Amount spent in Administrative Overheads: **NIL**

   (e) Amount spent on Impact Assessment, if applicable : **NOT APPLICABLE**

   (f) Total amount spent for the Financial Year (8b+8c+8d+8e): **NIL**

   (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	170.42 Lakhs
(ii)	Total amount spent for the Financial Year	318.95 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	148.53 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	148.53 Lakhs

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable for current year**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (₹ In Lakhs)
				Name of the Fund	Amount (in ₹)	Date of transfer	
		--	--	--	--	--	--
		--	--	--	--	--	--
		--	--	--	--	--	--
	TOTAL	--	--	--	--	--	--

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing
1					Not Applicable			
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Sd/-
Rahul R Katyal
(Managing Director and Chief Executive Officer)
DIN: 00253046.

Sd/-
Rohit R Katyal
(Executive Director and Chief Financial Officer)
DIN: 00252944.

Date : August 09, 2022
Place : Mumbai

Annexure IV

Particulars of Employees

Information relating to Directors and KMPs under section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The Ratio of the Remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 is as follows:

Name of Director	Ratio of Remuneration of Director to the Median Remuneration
Mr. Rohit R. Katyal	21.82
Mr. Rahul R. Katyal	21.14
Mr. Subir Malhotra	19.35
Mr. Sumeet S. Nindrajog	NA
Mr. Siddharth Parekh	NA
Ms. Farah Nathani Menzies	0.44
Mr. Arun Vishnu Karambelkar	0.81
Dr. Manjushree Nitin Ghodke	0.59

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2021-22 are as follows:

Name	Designation	Increase/ (Decrease) (%)
Mr. Rohit R. Katyal	Executive Director & CFO	40.76
Mr. Rahul R. Katyal	Managing Director	40.76
Mr. Subir Malhotra	Executive Director	40.76
Mr. Saroj Pati (Upto November 30,2021)	Chief Executive Officer	42.00
Ms. Farah Nathani Menzies	Non-Executive, Independent Director	-32.76
Dr. Manjushree Nitin Ghodke	Non-Executive, Independent Director	100
Mr. Arun Vishnu Karambelkar (re-appointed w.e.f. May 18, 2021)	Non-Executive, Independent Director	-26.39
Ms. Varsha Malkani (w.e.f. August 10, 2021)	Company Secretary	54.00

Notes:

1. Remuneration comprises salary, allowances, Company's contribution to provident fund and taxable value of perquisites.
2. The median remuneration of the Company for all its employees is ₹ 4,45,506 for the financial year 2021-22. For calculation of median remuneration, the employee count taken is 962 which comprises employees who have served for whole of the financial year 2021-22.
3. The percentage increase in the median remuneration of employees other than managerial personnel in the financial year 2021-22 was 10.11%.
4. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 7.31% whereas the increase in the managerial remuneration was 27.69. The increments given to employees are based on their potential, performance and contribution, which is benchmarked against applicable Industry norms.
5. The number of permanent employees on the rolls of Company as on March 31, 2022 was 970.
6. It is affirmed that the remuneration is as per the Nomination and Remuneration Policy adopted by the Company.

Annexure V

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March 2022

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

To,
The Members,
CAPACIT'E INFRAPROJECTS LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Capacit'e Infraprojects Limited** having **CIN: L45400MH2012PLC234318** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided including by electronic mode by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company, during the audit period covering the financial year ended on March 31, 2022 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

  a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (**Not Applicable to the Company during the audit period**);

  e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not Applicable to the Company during the audit period**);

  f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not Applicable to the Company during the audit period**);

  h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not Applicable to the Company during the audit period**);

(vi) All other relevant laws as are applicable to the Company, a list of which has been provided by the management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited including the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter Listing Regulations);

during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned as above;

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The following changes that took place in the composition of the Board of Directors and Key Managerial Personnel during the period under review were carried out in compliance with the provisions of the Act;

(a). Cessation of Ms. Varsha Malkani, as Company Secretary & Compliance Officer of the Company w.e.f 08th May, 2021 and her appointment as Company Secretary & Compliance Officer of the Company w.e.f. 10th August, 2021;

(b). Re-appointment of Mr. Arun Vishnu Karambelkar, (DIN:02151606) as an Independent Director for a second and final term of 5 (Five) years effective from May 18, 2021 till May 17, 2026;

(c). Cessation of Mr. Saroj Kumar Pati as Chief Executive Officer of the Company w.e.f 30th November, 2021.

(d). Appointment of Mr. Rahul R. Katyal as the Chief Executive Officer of the Company w.e.f December 01, 2021 and re-designating as Managing Director & Chief Executive Officer.

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

All the decisions were carried through, while there were no dissenting views of members as verified from the minutes.

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

We further report that following major events took place during the audit period in compliance with the applicable provisions;

(a). Shareholder's approval was obtained in 9th Annual General Meeting held on 07.09.2021 for raising of upto ₹30,000 Lakhs through issue of Equity Shares by way of Qualified Institutional Placement;

(b). the Board of Directors in its meeting held on 17.03.2022 has approved raising of funds upto ₹15,000 Lakhs in the form of senior, unlisted, non-convertible debentures.

For **Shreyans Jain & Co.**
Company Secretaries
Unique ID: S2011MH151000

Shreyans Jain (Proprietor)
FCS No. 8519
C.P. No. 9801
UDIN:F008519D000404453
PR NO.1118/2021

Place: Mumbai
Date: 27/05/2022

Note: This report to be read with our letter of even date which is annexed as **Annexure -A** and forms part of this Report.

Annexure A: to the Secretarial Audit Report of Capacit'e Infraprojects Limited for the year 31st March, 2022

To,
The Members,
Capacit'e Infraprojects Limited

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

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. We have conducted online verification and examination of records, as facilitated by the Company, due to Covid-19 for the purpose of issuing this report and have also verified physically to the extent possible.

For **Shreyans Jain & Co.**
Company Secretaries
Unique ID: S2011MH151000

Shreyans Jain (Proprietor)
FCS No. 8519
C.P. No. 9801
UDIN:F008519D000404453
PR NO.1118/2021

Place: Mumbai
Date: 27/05/2022

ANNEXURE VI

DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

(A) Conservation of Energy:

Steps taken or impact on conservation of energy	The Company is not required to spend any substantial amount on Conservation of Energy to be disclosed here.
Steps taken by the company for utilizing alternate sources of energy	
Capital investment on energy conservation equipments	

(B) Technology Absorption:

Efforts made towards technology absorption	Considering the nature of activities of the Company, there is no requirement with regard to technology absorption.
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
Details of technology imported	Nil
Year of import	Not Applicable
Whether the technology has been fully absorbed	Not Applicable
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure incurred on Research and Development	Nil

(C) Foreign exchange earnings and Outgo:

₹ in lakhs

Particulars	April 1, 2021 to March 31, 2022	April 1, 2020 to March 31, 2021
Actual Foreign Exchange earnings	NIL	NIL
Actual Foreign Exchange outgo	NIL	NIL

For **CAPACIT'E INFRAPROJECTS LIMITED**

Rahul R. Katyal
Managing Director & Chief Executive Officer
DIN: 00253046

Rohit R. Katyal
Executive Director & Chief Financial Officer
DIN: 00252944

Date : August 09, 2022
Place : Mumbai

ANNEXURE VII

BUSINESS RESPONSIBILITY REPORT (BRR)

As per amended provisions of Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted Business Responsibility Policy at its Board Meeting held on March 30, 2020.

This Policy on Business Responsibility ('BR Policy' or 'Policy') has been in line with the Regulation 34 and other applicable provisions of the Listing Regulations and based on principles enunciated in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of a Business released by the Ministry of Corporate Affairs, towards conducting business by a company. The key objective of this Policy is to ensure a unified and common approach to the dimensions of Business Responsibility across the Company and act as a strategic driver that will help the Company respond to the complexities and challenges that keep emerging and be abreast with changes in regulations. The Policy is applicable to all Directors and Employees of the Company.

The Company is committed to conduct all its operations, activities and initiatives in a responsible manner that entails efficient utilization of all resources and adoption of forward - looking strategies leading to financial and economic growth, minimizing the environmental footprint and maximizing social and community development, ultimately leading to stakeholder value creation.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L45400MH2012PLC234318
2.	Name of the Company	CAPACIT'E INFRAPROJECTS LIMITED
3.	Registered Address	605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Mumbai 400 071, Maharashtra, India
4.	Website	www.capacite.in
5.	Email ID	sustainability@capacite.in
6.	Financial Year Reported	April 01, 2021 to March 31, 2022
7.	Sector (s) that the Company is engaged in (Industrial activity code-wise) Name and Description of main products/ services:	Construction of buildings carried out on own-account basis or on a fee or contract basis NIC code of the product/ service:4100
8.	List three key products/services that the Company manufactures/provides (as in balance sheet)	1. Construction of Buildings 2. Project related activity/services 3. Engineering services
9.	Total number of locations where business activity is undertaken by the Company	
	i. Number of international locations	NIL
	ii. Number of national locations	The Company has executed projects located in the 7 states of India i.e. Maharashtra, Karnataka, Tamil Nadu, Kerala, Delhi, Haryana, Telangana, Uttar Pradesh & Bihar
10.	Markets served by the Company- Local/ State/ National/ International	India

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid Up Capital (₹)	6,789.15 Lakhs
2.	Total Turnover (₹)	1,34,792.33 Lakhs
3.	Total profit after taxes (₹)	4,398.52 Lakhs
4.	Total spending on Corporate Social Responsibility	₹170.42 Lakhs (Sett Off against the excess amount of CSR of Previous Year)
5.	List of activities in which expenditure in point 4 above has been incurred	During the year under review, the Company has carried out activities related to Rehabilitation and helping for livelihood of migrant labourer's effected during COVID-19 pandemic

SECTION C: OTHER DETAILS

1.	Does the Company have any subsidiary company/ companies?	Yes, the Company has one wholly owned subsidiary company namely, CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited.
2.	Do the subsidiary company/companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).	At present, the BR initiatives have been undertaken at parent Company level.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, more than 60%].	No The Company will promote BR initiatives in its value chain.

SECTION D: BR INFORMATION

1. Details of Director/ Directors responsible for BR

a) Details of the Director/Directors responsible for the implementation of BR policy/policies

i. DIN Number: 00252944

ii. Name: Mr. Rohit R. Katyal

iii. Designation: Whole-time Director & CFO

b) Details of the BR Head

i. DIN Number (if applicable): 00253046

ii. Name: Mr.Rahul Katyal

iii. Designation: Chief Executive Officer

iv. Telephone Number: 022-71733717

v. E-mail ID: sustainability@capacite.in

LIST OF PRINCIPLES:

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency & Accountability

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3: Businesses should promote the well-being of all employees

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders

Principle 5: Businesses should respect and promote human rights

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

Principle 7: Businesses should engage in influencing public and regulatory policy in a responsible manner

Principle 8: Businesses should support inclusive growth and equitable development

Principle 9: Businesses should engage with and provide support customer value

2. Principle-wise (as per National Voluntary Guidelines) BR Policy/policies (reply with YES/ NO)

2a. Details of Compliance:

Sl. No.	Guidelines	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy confirm to any national / international standards? If yes, specify? (50 words)[1]	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by the MD / Owner / CEO / appropriate Board Director?[2]	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?[3]	Y	Y	Y	Y	Y	Y	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

(1)The policies are in compliance with applicable National/ International laws, rules, regulations, guidelines and standards. The policies are in conformance to the the spirit of International standards.

(2) & (3) As per Company practice, the policies that are approved by the Board are posted on the website of the Company www.capacite.in.

2b. If answer to S. No.1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Guidelines	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task	NOT APPLICABLE								
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

Indicate the frequency with which the Board of Directors, committee of the Board or CEO assesses the BR performance of the Company- within 3 months, 3-6 months, annually, more than 1 year	The Company has decided to assess the BR performance annually and as and when required.
Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	Yes, the Company has decided to publish BR Report as a part of Annual Report every year.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

Sl. No.	Particulars	Remark
1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No.	Yes
	Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?	No
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	Nil

Principle 2

Sl. No.	Particulars	Remark
1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	1. Construction of Buildings 2. Project related activity/services 3. Engineering services The Company designs its products and services in a way that they comply with the mandatorily required standards under the requisite laws. The Company and its contractors make all possible efforts to provide a healthy and safe working environment to their workers at construction sites.
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	The Company is not engaged in the business of manufacturing goods and consumer products. The Company however takes necessary steps to ensure efficient use of the raw materials and goods required for execution of the projects including in relation to energy, water, raw material etc. The Company undertakes social & environmental risk assessment in a structured way and has put in place the requisite mechanism to implement the identified controls and monitor its effectiveness for continual improvement.
3.	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentages of your inputs were sourced sustainably? Also provide details thereof, in about 50 words or so.	Yes The Company strives to design and construct sustainable Projects which incorporate conservation measures and continuous monitoring of environment. We are always conscious of the need to conserve our resources, especially the ones used by us, therefore, our philosophy is to make efficient use, eliminating waste, recycling and reusing the material to the extent possible without compromising safety. Our first priority is to always use locally available raw materials and labour for our construction activities.
4.	Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Yes. During the execution of the projects awarded to the Company, the Company to the extent possible / permitted under the contracts awarded procures raw materials including bricks, aggregates, sand etc from local & small producers. The Company also utilises the services of locals to the extent possible / permitted under the contracts awarded to it.
5.	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as $\leq$ 5%, 5-10%, $\geq$10%). Also, provide details thereof, in about 50 words or so	Recycling the product is not applicable as the company is not engaged in manufacturing activities. Excess construction wastes Hazardous wastes, if any are disposed off as per the statutory provisions

Principle 3

<table>
<tr><th>Sl. No.</th><th>Particulars</th><th colspan="3">Remark</th></tr>
<tr><td>1.</td><td>Please indicate the Total number of employees as on March 31, 2022.</td><td colspan="3">1,646</td></tr>
<tr><td>2.</td><td>Please indicate the Total number of employees hired on temporary/ contractual/ casual basis as on March 31, 2022.</td><td colspan="3">Permanent: 970
Contractual: 676</td></tr>
<tr><td>3.</td><td>Please indicate the Number of permanent women employees as on March 31, 2022.</td><td colspan="3">60</td></tr>
<tr><td>4.</td><td>Please indicate the Number of permanent employees with disabilities as on March 31, 2022.</td><td colspan="3">NIL</td></tr>
<tr><td>5.</td><td>Do you have an employee association that is recognized by management?</td><td colspan="3">No</td></tr>
<tr><td>6.</td><td>What percentage of your permanent employees are members of this recognised employee association?</td><td colspan="3">Nil</td></tr>
<tr><td rowspan="4">7.</td><td rowspan="4">Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year</td><td>Category</td><td>No. of complaints filed during the Financial year</td><td>No. of complaints pending as on the end of Financial Year</td></tr>
<tr><td>Child Labour/ Forced Labour/ Involuntary Labour</td><td>NIL</td><td>NIL</td></tr>
<tr><td>Sexual Harassment</td><td>2</td><td>NIL</td></tr>
<tr><td>Discriminatory Employment</td><td>NIL</td><td>NIL</td></tr>
<tr><td>8.</td><td>What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?
• Permanent Employees
• Permanent Women Employees
• Casual/Temporary/Contractual Employees
• Employees with Disabilities</td><td colspan="3">100%</td></tr>
</table>

Principle 4

Sl. No.	Particulars	Remark
1.	Has the company mapped its internal and external stakeholders? Yes/No	Yes
2.	Out of the above, has the company identified the disadvantaged, vulnerable and marginalized stakeholders	Yes
3.	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so	As part of corporate social responsibility programme following initiatives are identified and implemented: Rehabilitation and helping for livelihood of migrant labourer's effected during COVID-19 pandemic

Principle 5

Sl. No.	Particulars	Remark
1.	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors /NGOs/Others?	Yes, It is extended to the Group/Joint Ventures only
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	Nil

Principle 6

Sl. No.	Particulars	Remark
1.	Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ others?	It covers only Company
2.	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.	Yes. The company addresses issues such as climate change, global warming through conservation of natural resources. To protect the environment construction hazardous wastes are disposed off as per the statutory provisions
3.	Does the company identify and assess potential environmental risks? Y/N	The company addresses the issues through the Environment, Health and Safety (EHS) Policy and also holds the ISO certification in respect of Environment, Health and Safety Management System
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	No.
5.	Has the Company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy etc.? Y/N. If yes, please hyperlink for webpage etc.	As part of the project execution the Company has undertaken initiatives relating to clean technology, energy efficiency, renewable energy, etc.
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Yes. Complied to the extent applicable
7.	Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Nil

Principle 7

Sl. No.	Particulars	Remark
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with	No
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Whenever Policy guidelines are issued, the company has been providing its suggestions to the Government and above Trade / Chamber Associations. Company officials have also attended seminars / workshops organized by the apex organizations for facilitating views on the policies.

Principle 8

Sl. No.	Particulars	Remark
1.	Does the company has specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes, details are mentioned in Annexure III of the Directors' Report.
2.	Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organization?	The Company has been implementing various CSR projects through in-house teams.
3.	Have you done any impact assessment of your initiative?	Informal Assessment is done. The expenditure made on CSR activities and the impact of such expenditure is periodically monitored and reviewed by the CSR Committee of the Board.
4.	What is your company's direct contribution to community development projects Amount in INR and the details of the projects undertaken?	Details are mentioned in Annexure III of the Directors' Report.
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so	The primary focus of the Company is on the following : Rehabilitation and helping for livelihood of migrant labourer's effected during COVID-19 pandemic

Principal 9

Sl. No.	Particulars	Remark
1.	What percentage of customer complaints/consumer cases were pending as on the end of financial year.	The Company has a robust system for addressing customer/ client complaints, if any. As on March 31, 2022, there are no customer complaints pending.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)	Not Applicable
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	Not Applicable

For and on behalf of the Board of Directors

Rahul R. Katyal
Managing Director & Chief Executive Officer
DIN: 00253046
Date: August 09, 2022
Place:Mumbai

REPORT ON CORPORATE GOVERNANCE

The Board of Directors of the Company present the Company's Report on Corporate Governance for the year ended March 31, 2022 in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

1. CORPORATE GOVERNANCE PHILOSOPHY:

The Company endeavors not only to meet the statutory requirements in this regard but also to go well beyond them by instituting such systems and procedures as are in accordance with the latest global trends of making management completely transparent and institutionally sound.

The Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholders' value. The Company has professionals on its Board who are actively involved in the deliberations of the Board on all important policy matters. Your Company has adopted various codes and policies to carry out duties and functions in a most ethical and compliant manner and some of them are:

i. Vigil mechanism policy;
ii. Policy for consideration and approval of related party transactions;
iii. Code of conduct for Regulating, Monitoring and Reporting of Insider Trading;
iv. Policy for determining material subsidiaries;
v. Code of practices and procedures for fair disclosure of unpublished price sensitive information;
vi. Corporate social responsibility policy;
vii. Risk management policy;
viii. Policy for determination of materiality of event/ information;
ix. Archival policy; and
x. Policy on preservation of documents.
xi. Familiarisation Programme for Independent Directors
xii. Business Responsibility Policy
xiii. Dividend Distribution Policy

The weblink where the Dividend Distribution Policy is disclosed is https://www.capacite.in/wp-content/uploads/2022/05/Dividend-Distribution-Policy.pdf

2. BOARD OF DIRECTORS:

The Board meeting is conducted at least once in every quarter to discuss the performance of the Company and its Quarterly Financial Results, along with other Corporate matters. The Board also meets to consider other business(es), whenever required, from time to time. Agenda of the business(es) to be transacted at the Board Meeting along with explanatory notes thereto are drafted and circulated to the Board of Directors of the Company. The Company always ensures that Board members are presented with all the relevant information on vital matters affecting the working of the Company including the information as inter-alia specified under Part A of Schedule II of Regulation 17(7) of the Listing Regulations. Every Board Member is free to suggest the inclusion of any item on the agenda and hold due discussions thereto.

Our Board has Eight Directors, headed by the Chairman who is Non-Executive Independent Director. Further, our Company has three Independent Directors on the Board, in addition to three Executive Directors and two Non-Executive Directors. In compliance with the provisions of the Act at least two-third of our Directors, other than our Independent Directors, are liable to retire by rotation.

The Chairman of the Board is a Non-Executive Director and more than one-half of the total number of Directors comprised of Non-Executive Directors.

The Board of Directors met 6 times during the year 2021-22:

June 12, 2021	August 10, 2021	November 11, 2021	Februrary 14, 2022
March 17, 2022	March 31, 2022		

Name of other listed entities where Directors of the Company are Director and the category of Directorship:

Sr. No.	Name of Director	Name of listed entities in which the concerned Director is a Director	Name of listed entities in which the concerned Director is a Director
1.	Arun Vishnu Karambelkar	Hindustan Construction Co. Ltd.	Non Executive (Non-Independent Director)

The composition of the Board of Directors, their attendance at Board meeting, last Annual General Meeting, number of other Directorship, committee membership and Chairmanship are as under:

Name of Director	Category	No. of Board Meeting Attended	Attendance at Last AGM held on September 07, 2021	Directorship in Other Public Companies	No. of Committee Positions held in Other Public Companies
Mr. Arun Vishnu Karambelkar (DIN: 02151606)	Chairman and Non- Executive Independent Director	4	Yes	2	Nil
Mr. Rahul R. Katyal (DIN: 00253046)	Managing Director & Chief Executive Officer	5	Yes	Nil	Nil
Mr. Subir Malhotra (DIN:05190208)	Executive Director	6	Yes	Nil	Nil
Mr. Rohit R. Katyal (DIN: 00252944)	Executive Director & Chief Financial Officer	5	Yes	Nil	Nil
Dr. Manjushree Nitin Ghodke (DIN: 07147784)	Non- Executive Independent Director	6	Yes	1	1
Ms. Farah Nathani Menzies (DIN: 06610782)	Non- Executive Independent Director	3	Yes	Nil	Nil
Mr. Sumeet S. Nindrajog (DIN: 00182873)	Non-Executive Non-Independent Director	5	Yes	1	Nil
Mr. Siddharth D. Parekh (DIN: 06945508)	Non-Executive Non-Independent Director	6	Yes	2	Nil

Notes:

#In accordance with Regulation 26 of the Listing Regulations, Chairmanships / Memberships of Board Committees include only Audit Committee and Stakeholders' Relationship Committee of public limited companies (listed &Unlisted) only.

Mr. Arun Vishnu Karambelkar (DIN: 02151606) Non-Executive Independent Director re-appointed as an Independent Director (Non-Executive) for a second and final term of 5 years with effect from May 18, 2021 vide Circular Resolution passed on May 07, 2021.

The Shareholders in the Annual General Meeting held on September 07, 2021 had Regularised the Directorship of Ms. Farah Nathani Menzies (DIN: 06610782) from Additional Director (Non-Executive, Independent) to Independent Director (Non-Executive) of the Company and Mr. Arun Vishnu Karambelkar (DIN: 02151606) as Independent Director (Non-Executive).

None of the Directors are related to each other except Mr. Rahul R. Katyal and Mr. Rohit R. Katyal who are brothers. None of the Directors on the Board serve as an Independent Director in more than seven listed companies. Further, there are no Directors on the Board of the Company, who serve as Whole-time Directors with any other listed company. No Director is a member of more than ten Committees or acts as the Chairman of more than five Committees across all companies in which he or she is a member. None of the Non-Executive Directors hold any shares of the Company.

Weblink where details of familiarisation programmes imparted to independent directors is disclosed:

https://capacite.in/wp-content/uploads/2022/05/FamiliarizationFY2021-22-CIL-Final.pdf

Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management:

In the opinion of the Board, all the Independent Directors fulfill the criteria of Independence as defined under Section 149(6) of the Act read with Rule 5 of Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 16 (1) (b) of the SEBI Listing Regulations and amendments thereunder and are independent of the management of the Company. In addition, they maintain their limits of directorships as required under SEBI Listing Regulations.

The Board comprises of highly qualified members who possess required skills, expertise and competence that allow them to make effective contributions to the Board and its committee.

The core skills/ expertise/ competencies required in the Board in the context of the Company's businesses and sectors functioning effectively as identified by the Board of Directors of the Company are tabulated below:

List of core Skills/ Expertise/ Competencies of the Board of Directors:

Name of the Directors	BROAD PARAMETERS (Core Skills/ Expertise/ Competencies)							
	Financial & Accounting knowledge	Strategic Expertise	Risk Governance	Legal & Corporate Governance expertise	Construction Skills	Management Skills	Sustainability & CSR	Quality & Safety
Mr. Arun Vishnu Karambelkar Chairman &,Non-Executive Independent Director	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Rahul R. Katyal, Managing Director	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Rohit R. Katyal, Executive Director	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Subir Malhotra, Executive Director	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Farah Nathani Menzies, Non-Executive Independent Director	✓	✓	✓	✓	–	✓	✓	–
Mr. Siddharth Deepak Parekh, Non-Executive Director	✓	✓	✓	✓	–	✓	✓	–
Mr. Sumeet S. Nindrajog, Non-Executive Director	✓	✓	✓	✓	–	✓	✓	–
Dr. Manjushree Nitin Ghodke, Non-Executive Independent Director	✓	✓	✓	✓	–	✓	✓	✓

Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided:

During the year under review, there has been no resignation of an Independent Director.

Independent Directors' Meeting:

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Act and Regulation 25(3) of SEBI Listing Regulations, 2015, a meeting of Independent Directors was held on March 31, 2022 without the attendance of Non-Independent Directors and members of the Management.

3. AUDIT COMMITTEE:

The Audit Committee of the Company has been constituted in accordance with the provisions of Regulation 18 of SEBI Listing Regulations and Section 177 of the Act. All the Members of the Audit Committee are financially literate and capable of analysing Financial Statements of the Company.

During financial year 2021-22 the Audit Committee met 5 times.

Dates on which Meetings of Audit Committee was held during Financial Year 2021-22

June 12, 2021	August 10, 2021	November 11, 2021,	February 14, 2022
March 31, 2022			

The details of composition of members and attendance at the Audit Committee Meetings are as follows:

Name of the Members	Designation in the Committee	Directorship	Particulars of attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Arun Vishnu Karambelkar	Chairperson	Non-Executive Independent Director	5	4
Dr. Manjushree Nitin Ghodke	Member	Non-Executive Independent Director	5	5
Farah Nathani Menzies	Member	Non-Executive Independent Director	5	3
Sumeet S. Nindrajog	Member	Non – Executive Non-Independent Director	5	5

All the members of the Audit Committee are financially literate and possess necessary expertise in finance and accounting. The Audit Committee meetings are usually attended by the Managing Director & CEO, Executive Directors & CFO, and Accounts Head. The Company Secretary is the Secretary of the Committee. The Statutory Auditors and Internal Auditors are also invited to attend the Meetings.

All the recommendations of the Audit Committee have been accepted by the Board of Directors.

Terms of Reference:

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Act and Regulation 18 with Part C of Schedule II to the Listing Regulations.

The role of the audit committee shall include the following:

(i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;

   (b) changes, if any, in accounting policies and practices and reasons for the same;

   (c) major accounting entries involving estimates based on the exercise of judgment by management;

   (d) significant adjustments made in the financial statements arising out of audit findings;

   (e) compliance with listing and other legal requirements relating to financial statements;

   (f) disclosure of any related party transactions; and

   (g) modified opinion(s) in the draft audit report.

(v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(viii) Approval or any subsequent modification of transactions of the Company with related parties;

(ix) Scrutiny of inter-corporate loans and investments;

(x) Valuation of undertakings or assets of the Company, wherever it is necessary;

(xi) Evaluation of internal financial controls and risk management systems;

(xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(xiv) Discussion with internal auditors of any significant findings and follow up there on;

(xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(xviii) To review the functioning of the whistle blower mechanism;

(xix) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate; and

(xx) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(xxi) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹10,000 Lakhs or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

(xxii) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder.

Further, the Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;

2. statement of significant related party transactions (as defined by the audit committee), submitted by management;

3. management letters / letters of internal control weaknesses issued by the statutory auditors;

4. internal audit reports relating to internal control weaknesses; and

5. appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

6. statement of deviations:

    a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

    b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

4. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been constituted in accordance with the provisions of Regulation 19 of SEBI Listing Regulations and Section 178 of the Act. The Nomination and Remuneration Committee recommends the nomination of Directors, and carries out evaluation of performance of individual Directors.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their remuneration and for performance evaluation of Independent Directors.

During financial year 2021-22, the Nomination and Remuneration Committee met 3 times.

Dates on which Meetings of Nomination and Remuneration Committee was held during Financial Year 2021-22

August 10, 2021	November 11, 2021	March 31, 2022

The details of composition of members and attendance at the Nomination and Remuneration Committee Meeting are as follows:

Name of the Members	Designation in the Committee	Directorship	Particulars of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Dr. Manjushree Nitin Ghodke	Chairperson	Non-Executive Independent Director	3	3
Farah Nathani Menzies	Member	Non-Executive Independent Director	3	2
Sumeet S. Nindrajog	Member	Non-Executive Non-Independent Director	3	3
Arun Vishnu Karambelkar	Member	Non-Executive Independent Director	3	3

Ms. Varsha Malkani, Company Secretary is also the Secretary to the Committee.

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee (NRC) are in accordance with the provisions of Section 178 of the Act and Regulation 19 with Part D(A) of Schedule II to the Listing Regulations.

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

(i) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(ii) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

(iii) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(iv) devising a policy on diversity of board of directors;

(v) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal; and

(vi) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(vii) Recommend to the board, all remuneration, in whatever form, payable to Senior management.

Performance Evaluation:

In compliance with the provisions of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Listing Regulations, the Annual Performance Evaluation was carried out for the financial year 2021-22, by the Board of Directors in respect of its own performance, the board & its committees and performance of Independent Directors on the basis of their role and responsibilities, effective participation in the Board and Committee meetings, expertise, skills and exercise of independent judgment in major decisions of the Company.

A structured questionnaire covering various aspects of the Boards' functioning such as adequacy of the composition of the Board and its committees, Board culture, execution and performance of specific duties, obligations and governance, etc was prepared.

The Company also conducts familiarisation programme for Independent Directors covering business overview, project site visits, operational updates & such other matters which can be accessed at the website of the Company.

Performance evaluation criteria for Independent Directors (ID):

I. Evaluation based on professional conduct:

1. Whether ID upholds ethical standards of integrity and probity.
2. Whether ID acts objectively and constructively while exercising their duties.
3. Whether ID exercises his/her responsibilities in a bona fide manner in the interest of the Company.
4. Whether ID devotes sufficient time and attention to his/her professional obligations for informed and balanced decision making.
5. Whether ID not allow any extraneous considerations that will vitiate his/her exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
6. Whether ID does not abuse his/her positions to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person
7. Whether ID refrains from any action that would lead to loss of his/her independence.
8. Where circumstances arise which make an independent director lose his/her independence, whether the independent director has immediately informed the Board accordingly.
9. Whether ID assists the Company in implementing the best corporate governance practices.

II. Evaluation based on Role and functions:

1. Whether ID helps in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
2. Whether ID brings an objective view in the evaluation of the performance of Board and management.
3. Whether ID scrutinises the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
4. Whether ID satisfies himself/herself on the integrity of financial information and financial controls and the systems of risk management are robust and defensible.
5. Whether ID has taken actions to safeguard the interests of all stakeholders, particularly the minority shareholders.
6. Whether IDs balances the conflicting interest of the stakeholders.
7. Whether ID during the Board/ Committee meetings along with other members determines appropriate levels of remuneration of executive directors, key managerial personnel and senior management have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management.
8. Whether ID moderates and arbitrates in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

III. Evaluation based on Duties:

1. Whether ID undertakes appropriate induction and regularly update and refresh his/her skills, knowledge and familiarity with the Company.

2. Whether ID seeks appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts.

3. Whether IDs strive to attend all meetings of the Board of Directors and of the Committees of which he/she is a member.

4. Whether ID participates constructively and actively in the Committees of the Board in which he/she is chairperson or member.

5. Whether ID strives to attend the general meetings of the Company.

6. Where ID has concerns about the running of the Company or a proposed action, whether he/she ensures that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting.

7. Whether ID does not unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board.

8. Whether ID gives sufficient attention and ensures that adequate deliberations are held before approving related party transactions and assure himself/herself that the same are in the interest of the Company.

9. Whether ID ascertains and ensures that the Company has an adequate and functional vigil mechanism and also ensures that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.

10. Whether ID reports concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

11. Whether ID acts within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees.

12. Whether ID does not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Stakeholders' Relationship Committee of the Board has been constituted in accordance with the provisions of Regulation 20 of SEBI Listing Regulations and the provisions of Section 178 of the Act. This Committee deals with stakeholder relations and grievances raised by the investors in a timely and effective manner and to the satisfaction of investors.

During financial year 2021-22, the Stakeholders Relationship Committee Meeting was held on March 31, 2022.

The details of composition of members and attendance at the Stakeholders Relationship Committee Meeting are as follows:

Name of the Members	Designation in the Committee	Directorship	Particulars of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Sumeet S. Nindrajog	Chairperson	Non-Executive Non-Independent Director	1	1
Rohit R. Katyal	Member	Executive Director and Chief Financial Officer	1	1
Arun Vishnu Karambelkar	Member	Non - Executive Independent Director	1	1

Ms. Varsha Malkani, Company Secretary is designated as Compliance Officer of the Company pursuant to Regulation 6 of the SEBI Listing Regulations.

Ms. Varsha Malkani, Company Secretary is also the Secretary to the Committee.

Terms of Reference:

The terms of reference of the Stakeholders Relationship Committee (SRC) are in compliance with the provisions of Section as mentioned in Section 178(5) of the Act and Regulation 20 with Part D(B) of Schedule II to the Listing Regulations.

The terms of reference of SRC, inter-alia are as follows:

(i) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

(ii) Review of measures taken for effective exercise of voting rights by shareholders.

(iii) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

(iv) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Investor Grievance Redressal:

The details of investor complaints received / redressed to the satisfaction of investors during the financial year are as under:

Complaints as on April 01, 2021	Received during the year	Resolved during the year	Pending as on March 31, 2022
Nil	5	5	Nil

6. RISK MANAGEMENT COMMITTEE:

The Risk Management Committee of the Company has been constituted in accordance with the provisions of Regulation 21 of the Listing Regulations.

The Board of the Company has constituted a Risk Management Committee to frame, implement and monitor the Risk Management Plan for the Company. The Committee is responsible for reviewing the Risk Management Plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

During financial year 2021-22, the Risk Management Committee met twice.

Dates on which Meetings of Risk Management Committee was held during Financial Year 2021-22

February 14, 2022	March 31, 2022

The composition of the Risk Management Committee and the details of the meetings attended by its members during the financial year are as under:

Name of the Members	Designation in the Committee	Directorship	Particulars of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Rahul R. Katyal	Chairman	Managing Director & Chief Executive Officer	2	1
Rohit R. Katyal	Member	Executive Director and Chief Financial Officer	2	2
Subir Malhotra	Member	Executive Director	2	2
Sumeet S. Nindrajog	Member	Non - Executive Non-Independent Director	2	2
Arun Vishnu Karambelkar	Member	Non-Executive Independent Director	2	1

Terms of Reference:

The terms of reference of the Risk Management Committee were adopted by the Board and are as follows:

(i) framing, implementing, reviewing and monitoring the risk management plan for the Company;

(ii) laying down risk assessment and minimization procedures and the procedures to inform Board of the same;

(iii) oversight of the risk management policy/ enterprise risk management framework (identification, impact assessment, monitoring, mitigation and reporting);

(iv) review key strategic risks at domestic/international, macro-economic & sectoral level (including market, competition, political and reputational issues);

(v) review significant operational risks; and

(vi) performing such other activities as may be delegated by the Board of Directors or specified/ provided under the Act and the rules made thereunder, as amended, or by the Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Companies Act, 2013.

The composition of the CSR Committee and the details of the meetings attended by its members during the financial year are as under:

During financial year 2021-22, the Meetings of the CSR Committee were held on August 10, 2021 and March 31, 2022

Name of the Members	Designation in the Committee	Directorship	Particulars of Attendance	
			No. of meetings held during the Members' Tenure	No. of meetings attended by the Member
Rohit R. Katyal	Chairman	Executive Director and Chief Financial Officer	2	2
Sumeet S. Nindrajog	Member	Non - Executive Non-Independent Director	2	2
Farah Nathani Menzies	Member	Non-Executive Independent Director	2	1
Dr. Manjushree Nitin Ghodke	Member	Non-Executive Independent Director	2	2
Arun Vishnu Karambelkar	Member	Non-Executive Independent Director	2	2

Terms of Reference:

The terms of reference of the CSR Committee are:

(i) recommend the CSR Policy to the Board;

(ii) identify suitable projects/activities which may be undertaken by the Company for CSR;

(iii) recommend to the Board CSR Activities to be undertaken along with detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;

(iv) monitor the CSR Policy of the Company from time to time;

(v) ensure compliance of CSR Policy and the Rules;

(vi) such other functions as may be delegated and/or assigned by the Board from time to time.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at www.capacite.in

The Annual Report on CSR activities for the financial year 2021-22 forms part of the Board's Report.

8. OTHER COMMITTEES OF THE BOARD:

In addition to committees of the Board in accordance with the Listing Regulations mentioned above, the following committee has been constituted by the Board:

1) Finance Committee

The composition of Finance Committee is as follows:

Sr. No.	Name of Director	Designation	Position Held in Finance Committee
i)	Mr. Rohit R. Katyal	Executive Director & CFO	Chairman
ii)	Mr. Rahul R. Katyal	Managing Director & CEO	Member
iii)	Mr. Subir Malhotra	Executive Director	Member

Terms of Reference:

The Board delegated the following powers to the Finance Committee :

1. To borrow monies from any Person or Body Corporate or Banks / Financial Institutions for operational business transactions including renewals of all existing financial facilities from the Banks and Financial Institutions during the year 2022-23.
2. To invest the surplus Funds upto ₹10,000 Lakhs of the Company.
3. To grant loans or give guarantees or provide security in respect of loans.
4. Bank Account operations and related matters including opening new Bank accounts, Changes / modifications in signatory details or monetary limit details with respect to existing Bank accounts, closing of Bank Accounts & other matters incidental therewith.
5. Authorisation to Directors / Executives / Representatives of the Company to enter into, sign, execute documentation related to submission of bids, tender applications and various proposed and / or exiting contracts / projects.
6. Authorisation to Directors / Executives / Representatives of the Company to take necessary steps/ actions/ deeds by signing of various documents as required by various Government, Semi-government authorities, regional/ regulatory authorities/ officials.
7. To issue of Power of Attorney/ies, Authority letter/s for various purposes, as and when required, on behalf of the Board.
8. To take on lease or to authorize officials for signing / executing Leave & License Agreements / Lease Agreements for the purpose of staff accommodation.
9. To issue of project specific corporate guarantees pursuant to various Projects based on relevant terms, provisions in contract documents, as and when required.
10. To approve financial / credit facilities up to the limits as specified below, within the overall limits approved by the Shareholders, for the financial year 2022-23.
11. To issue Power of Attorney/ies, Authority Letter/s for all legal matters as and when required by the Company on behalf of the Board.

Normal day-to-day matters and all other matters as prescribed and delegated to the Finance Committee by the Board of Directors from time to time.

9. REMUNERATION OF DIRECTORS:

a) **All Pecuniary relationship or transactions of the Non-Executive Directors:**

There is no pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company. The Non-Executive Independent Directors of the Company are paid sitting fees, due to their responsibilities, and professional expertise and knowledge they bring across. The details of sitting fees and commission paid during the financial year 2021-22 are as under:

(In ₹)

Particulars	Dr. Manjushree Nitin Ghodke	Ms. Farah Nathani Menzies	Mr. Arun Vishnu Karambelkar
Sitting fees for the Board Meetings	2,40,000	1,20,000	1,60,000
Sitting fees the Committee Meetings	1,20,000	75,000	1,05,000
Commission (FY 2021- 22 to be paid)	3,00,000	3,00,000	3,00,000
Others, please specify	55,000	55,000	55,000

b) Managing Director & Executive Directors:

During the year, Company has paid remuneration to its Executive Directors by way of salary and perquisites, within the limits stipulated under the Act and as per the approval sought from the shareholders of the Company. The details of remuneration paid to the Executive Directors of the Company during the Financial Year 2021-22 are as under:

Name	Designation	Gross Remuneration (in ₹)				
		Basic Salary	Contribution to Provident Fund	Perquisites	Variable	Total
Mr. Rohit R. Katyal	Executive Director & CFO	97,20,000	NA	-	-	97,20,000
Mr. Rahul R. Katyal	Managing Director & CEO	94,20,000	NA	-	-	94,20,000
Mr. Subir Malhotra	Executive Director	86,19,996	NA	-	-	86,19,996

The performance criteria of the above-mentioned Directors are laid down by the Nomination and Remuneration Committee in accordance with the Nomination and Remuneration Policy of the Company.

10. GENERAL BODY MEETINGS:

The details of Annual General Meetings convened during the last three years are as follows:

Financial Year	Venue	Date, Day & Time	Special Resolution passed
2020-21	At the Registered Office of the Company through Video Conference ("VC") / Other Audio Visual Means ("OAVM") facility	September 07, 2021, Tuesday at 11:30 A.M.	1. Re-appointment of Ms. Farah Nathani Menzies, as a Non-Executive Independent Director. 2. Re-appointment of Mr. Arun Vishnu Karambelkar,(DIN:02151606) as an Independent Director for a second and final term of 5 (Five) years effective from May 18, 2021 till May 17, 2026. 3. Remuneration payable to Mr. Rahul R. Katyal, (DIN:00253046) Managing Director of the Company for the remaining tenure of his appointment (i.e. from April 1, 2021 to September 3, 2022). 4. Remuneration payable to Mr. Rohit R. Katyal, (DIN:00252944) Executive Director & Chief Financial Officer of the Company for the remaining tenure of his appointment (i.e. from April 1, 2021 to June 24, 2024.) 5. Remuneration payable to Mr. Subir Malhotra, Whole-time Director of the Company for the remaining tenure of his appointment (i.e. from April 1, 2021 to October 31, 2023.) 6. Issuance of Equity Shares by way of Qualified Institutions Placement.

Financial Year	Venue	Date, Day & Time	Special Resolution passed
2019-20	At the Registered Office of the Company through Video Conference ("VC") / Other Audio Visual Means ("OAVM") facility	September 25, 2020, Friday at 11:30 A.M.	1. Remuneration payable to Mr. Rahul R. Katyal, Managing Director of the Company for the financial year 2020-21. 2. Remuneration payable to Mr. Rohit R. Katyal, Wholetime Director & Chief Financial Officer of the Company for the financial year 2020-21. 3. Remuneration payable to Mr. Subir Malhotra, Wholetime Director of the Company for the financial year 2020-21.
2018-19	Grand Hall, The Acres Club, 411-B, Opp. Bhakti Bhawan, Hemu Kalani Marg, Chembur East, Mumbai – 400071	August 28, 2019, Wednesday at 11: 30 A.M.	1. Fund raising for issue of shares. 2. Borrowings by the Company and delegation to the board thereto. 3. Mortgage and/ or create charge on any of the assets of the Company.

No Extra-Ordinary General Meeting was held in the Financial Year under review.

Details of special resolutions passed last year through Postal Ballots:

During the financial year 2021-22, no Special Resolution has been passed by conducting Postal Ballot. There is no special resolution proposed to be passed by way of Postal Ballot till the date of ensuing Annual General Meeting of the Company.

i. MEANS OF COMMUNICATION

Quarterly Results	The Company communicates to the Stock Exchanges about the quarterly financial results within 30 minutes after the Board approves the same in the respective Board Meeting. The results are usually published in (Financial Express) English newspaper having country-wide circulation and in (Tarun Bharat) Marathi newspaper. These results are also available on the Company's website at http://www.capacite.in
Website	All the information and disclosures required to be disseminated as per Regulation 46(2) of the Listing Regulations and the Act are being posted at Company's website at http://www.capacite.in

The official news, releases and presentations to the institutional investors or analysts, if made are disseminated to the Stock Exchange at www.nseindia.com and www.bseindia.com and the same is also uploaded on the website of the Company at http://www.capacite.in within time stipulated under relevant regulations.

Designated E-mail address for investor services	To serve the investors better and as required under Listing Regulations, the designated e-mail address for investors complaints is compliance@capacite.in

ii. GENERAL SHAREHOLDER INFORMATION:

I	AGM Date, Time and Venue	Date : Monday, September 26, 2022 Time: 11.30 a.m. Venue: The AGM will be held through video conference / other audio visual means. The Company is conducting meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM) pursuant to the General Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 02/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/ CFD/ CMD1/ CIR/P/ 2020/79 dated 12th May 2020, Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular number SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India ("SEBI Circular")
II	Financial Year	April 1, 2021 to March 31, 2022
III	Book Closure Date	September 20, 2022, to September 26, 2022
IV	Financial Results	First Quarter Result : by first fortnight of August, 2022 Half Year Result : by first fortnight of November, 2022 Third Quarter Results : by first fortnight of February, 2023 Annual Results : by Second fortnight of May, 2023
V	Dividend Payment Date	During the year ended 31 March, 2022, the Company has not declared any dividend to its shareholders.
VI	Registered Office	605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Chembur, Mumbai 400 071, Maharashtra, India
VII	Corporate Office	605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Chembur, Mumbai 400 071, Maharashtra, India
VIII	Name and Address of Stock Exchanges where Company's securities are listed along with Stock Code	i) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 Scrip Code: 540710 ii) National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051 Trading Symbol – CAPACITE
IX	Listing fees	Payment of the Annual Listing fees for the Financial Year 2022-23 is made to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed within prescribed time.
X	Share Registrar and Transfer Agents	KFin Technologies Limited (formerly known as "KFin Technologies Private Limited") Add: Selenium, Tower B, Plot No.- 31&32, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032 Telangana, India Tel: 040-67162222, 040-33211000 Fax: 040-23431551 Website: www.kfintech.com Investor query registration: einward.ris@kfintech.com
XI	Company Secretary & Compliance Officer	Mr. Prakash Chavan, Compliance Officer : From May 08, 2021 till August 10, 2021 and Ms.Varsha Malkani, Company Secretary & Compliance Officer : From 10th August, 2021 to till date.

XII. Market Price Data:

The high and low share prices and volumes at BSE and NSE for the financial year 2021-22 are as under:

Month	NSE			BSE		
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
Apr-21	209.90	180.45	14,55,282	209.35	180.30	1,45,177
May-21	219.00	183.80	35,66,185	218.60	181.30	2,67,444
Jun-21	222.70	191.10	77,97,287	222.70	191.60	41,61,890
Jul-21	244.95	193.25	1,16,84,131	245.00	192.95	10,35,001
Aug-21	252.00	134.25	1,56,17,068	251.05	134.50	26,41,237
Sep-21	181.05	144.75	1,12,15,109	180.85	145.00	13,35,849
Oct-21	208.25	157.95	97,62,864	208.10	158.10	9,63,933
Nov-21	187.15	159.10	46,67,250	185.95	160.55	4,03,977
Dec-21	193.75	161.75	45,51,601	193.50	161.90	3,01,323
Jan-22	176.00	148.00	44,27,473	176.00	148.65	3,63,843
Feb-22	158.60	113.60	41,57,549	158.45	118.90	8,15,721
Mar-22	138.70	107.00	48,81,781	138.60	107.00	8,02,049

Period	NSE		NIFTY		BSE		SENSEX	
	High (₹)	Low (₹)	High	Low	High (₹)	Low (₹)	High	Low
From April 01, 2021 to March 31, 2022	252.00	107.00	18604.45	14151.4	251.05	107.00	62245.43	47204.5

[Source: This information is compiled from the data available on the websites of BSE and NSE]

XIII. Registrar and Share Transfer Agent:

Nomination Facility:

Shareholders who hold shares in physical form and wish to make/ change a nomination in respect of their shares in the Company, as permitted under Section 72 of the Act, may submit request to Registrar and Share Transfer Agent (RTA) in the prescribed Forms SH-13/SH-14.

Share Transfer System:

Share transfers, dividend payments and all other investor related activities are attended to and processed at the office of the Company's Registrar and Share Transfer Agent. For lodgement of transfer deeds and any other documents or for any grievances/complaints, kindly contact any of the offices of Registrar & Transfer Agent, KFin Technologies Limited which are open from 10.00 a.m. to 3.30 p.m. between Monday to Friday (except on bank holidays).

Share Transfer Physical System:

Shares in physical form should be lodged for transfer at the office of the Company's KFin Technologies Limited (formerly known as KFin Technologies Private Limited) at their branch offices at the addresses mentioned in the Corporate Information. The transfers are processed, if technically found it to be in order and complete in all respects.

As per directives issued by SEBI, it is compulsory to trade in the equity shares of the Company in dematerialized form only.

XIIV. Distribution of Shareholding:

Distribution of shareholding of shares of your Company as on March 31, 2022 is as follows:

Sr. No.	Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1.	1-5000	42248	92.96	37,29,775.00	5.49
2.	5001-10000	1580	3.48	12,51,720.00	1.84
3.	10001-20000	768	1.69	11,68,693.00	1.72
4.	20001-30000	266	0.59	6,86,601.00	1.01
5.	30001-40000	152	0.33	5,45,298.00	0.80
6.	40001-50000	98	0.22	4,62,841.00	0.68
7.	50001-100000	158	0.35	11,77,994.00	1.74
8.	100001 and above	179	0.39	58,868,575.00	86.71
	TOTAL	**45449**	**100.00**	**67,891,497.00**	**100.00**

XV. Categories of Shareholders:

Categories of Shareholders and break-up of shareholding as on March 31, 2022 is as follows:

Category	No. of Shareholders	Total number of shares held	% of total Equity
Promoter & Promoter Group	6	262,35,549	38.64
Bodies Corporates	211	100,72,672	14.84
Resident individuals	42907	145,71,834	21.46
Trust	0	0	0
Alternative Investment Fund	1	60,36,303	8.89
Foreign Portfolio Investors-Corp	30	53,46,926	7.88
Mutual Funds	3	38,22,188	5.63
Non- Resident Indians	191	3,65,575	0.54
Banks/ Financial Institutional	0	0	0
Clearing Members	55	2,17,029	0.32
Non-Resident Indian Non Repatriable	467	5,45,935	0.80
HUF	1578	6,77,486	1.00
Foreign Nationals	0	0	0
TOTAL	**45,449**	**678,91,497**	**100**

XVI. Dematerialisation of Shares and Liquidity:

The Company has established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for dematerialisation of shares and the same are available in electronic segment under ISIN INE264T01014.

As on March 31, 2022, 6,78,91,492 Equity Shares out of 6,78,91,497 Equity Shares were in electronic form. The shares of the Company are regularly traded at both the Stock Exchanges where they are listed, which ensure the necessary liquidity to shareholders.

Physical / Demat Shares as on March 31, 2022	No. of Shares	% of Total Issued Capital
Shares held in dematerialised form in CDSL	3,16,53,152	46.62
Shares held in dematerialised form in NSDL	3,62,38,340	53.38
No. of Physical Shares	5	0.00
TOTAL	**6,78,91,497**	**100.00**

XVII. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:

There are no GDRs/ ADRs/ Warrants or any Convertible Instruments pending conversion or any other instruments which can have an impact on the equity share capital of the Company.

XVIII. Foreign Exchange risk and Hedging activities:

The Company has taken suitable steps from time to time for protecting it against foreign exchange risk(s). The Company does not enter into hedging activities.

XIX. Address for Correspondence:

Company's Registrar and Share Transfer Agent Address:	Registered Office Address:
KFin Technologies Limited (formerly known as "KFin Technologies Private Limited") Selenium, Tower B, Plot No.- 31&32, Gachibowli Financial District, Nanakramguda, Hyderabad 500 032,Telangana, India Tel: 040-67162222, 040-33211000 Fax: 040-23431551 Email: einward.ris@kfintech.com Website: www.kfintech.com	Capacit'e Infraprojects Limited 605-607, Shrikant Chambers, Phase – I, 6th Floor, Adjacent to R K Studios, Sion-Trombay Road, Mumbai – 400 071, Maharashtra, India Tel: +91- 22- 71733717, Fax: +91- 22- 71733733 Email: compliance@capacite.in Website: www.capacite.in

XX. Green Initiative:

In commitment to keep in line with the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report to shareholders at their e-mail address registered with the Depository Participant (DPs) and Registrar and Transfer Agent (RTA).

Shareholders who have not registered their e-mail addresses and who hold shares in physical form are requested to register their e-mail address with their concerned DPs and RTA respectively.

Pursuant to the MCA Circulars and SEBI Circular, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 10th AGM and the Annual Report for the financial year 2021-22, are being sent only by email to the Members. Members may note that this Notice and Annual Report 2021-22 will be available on the Company's website www.capacite.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of KFin at https://evoting.kfintech.com

Disclosures:

A. **Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of the Company:**

During the year, the Company entered into agreements / contracts with its Group Companies with the prior approval granted by the Audit Committee and Board of Directors at their respective meetings. All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and at an arm's length.

During the year, the Company had not entered into any contract/ arrangement / transaction with related parties, which could be considered material in accordance with the policy of the Company on materiality of related party transactions. None of the transactions with any of related parties were in conflict with the Company's interest.

B. **Details of Non-Compliance/s, if any, by the Company, Penalties imposed on the Company by Stock Exchange(s) or the Board or any Statutory Authority, on any matter related to capital markets during the last three years:** NIL

C. Vigil Mechanism/Whistle Blower Policy :

The Company has formulated Vigil Mechanism Policy, pursuant to which the Director(s) and employee(s) of the Company (including their representative bodies, if any) have open access to the Authorised Persons/ Committee member, as the case may be, and also to the Chairman of Audit Committee, whenever exceptionally required, in connection with any grievance, which is concerned with unethical behaviour, frauds and other illegitimate activities, activities prejudicial to or not in best interest of the Company either carried out or suspected to be carried out by any Director/s, employee (s), group of employees of Company. The Vigil Mechanism Policy adopted by the Company is available on the website of the Company www.capacite.in

The Company and/or Chairman of the Audit Committee did not receive any complaint covered under vigil mechanism from any Director and/or employee during the financial year 2021-22.

D. Policy for determining 'Material' Subsidiaries:

The Company has formulated a policy for determining material subsidiaries in terms of the Listing Regulations which is available on the website of the Company www.capacite.in.

The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary companies. The minutes of the Board meetings of the subsidiaries are placed at the meeting of the Board of Directors of the Company. The management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of the Company a statement of all significant transactions and arrangements entered into by the unlisted subsidiary, if any.

E. Policy on Materiality and dealing with Related Party Transactions:

The Company has formulated the policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions in the Board Meeting held on February 10, 2020 as amended on the recommendation of Audit Committee in line with the requirements of Regulation 23 of the Listing Regulations and as per the provisions of Section 177 and 188 of the Act read with Rules framed thereunder. The amended Policy has been available on the website of the Company i.e. www.capacite.in.

F. Insider Trading Regulations:

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, and amendments thereto applicable with effect from April 1, 2019 the Company has adopted revised Code of conduct for insider trading, revised Code for fair disclosure of Unpublished Price Sensitive Information and Policy and procedures for inquiry in case of leakage or suspected leakage of unpublished price sensitive information which is available on the website of the Company www.capacite.in

G. **There were no funds raised during the year under review through private placement/s, preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

H. **All the Directors of the Company have submitted declarations that they are not debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority. A Company Secretary in practice has submitted a Certificate to this effect.**

I. **During the year under review, the Board has accepted all recommendations / submissions made by various Committees of the Board.**

Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.

J. Professional fees to Statutory Auditors:

Professional fees, on consolidated basis, for all services availed by the Company, from the Statutory Auditors and entities or firms within the network of the Statutory Auditors, are as follows:

Sr. No.	Particulars of services	Professional fees during FY2021-22 (₹ in Lakhs)
1.	Statutory Audit and limited review	66.00
2.	Other services including certification works	3.00
3.	Out of pocket expenses	-
	TOTAL	**69.00**

There are no services availed by the Company from Statutory Auditors of the Company with respect to its subsidiary.

K. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the financial year 2021-22:

a. number of complaints filed during the financial year : 2

b. number of complaints disposed of during the financial year : 2

c. number of complaints pending as on end of the financial year. : NIL

L. **Disclosure by listed entity and its subsidiaries of Loans & Advances with in the nature of loans to firms/companies in which directors are interested by name and amount:** There are no Loans and advances during the Financial Year.

M. Other Disclousres.

1. Non-compliance with any requirement of Corporate Governance:

   There have been no instances of non-compliance of any requirement of the Corporate Governance as prescribed by Listing Regulations.

2. Compliance with discretionary requirements:

   The Company has voluntarily complied with the discretionary requirements relating to Chairman and Managing Director/Chief Executive Officer as per Regulation 27(1) of the Listing Regulations.

3. Disclosure on compliance with the requirement of corporate governance:

   The Company has complied with all the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations, wherever applicable to your Company.

4. Disclosures with respect to demat suspense account / unclaimed suspense account:

The Company is not required to have a demat suspense account / unclaimed suspense account.

Declaration pursuant to Code of Conduct:

In terms of Listing Regulations, and a Code of Conduct for Board of Directors and Senior Management Personnel of the Company, I hereby confirm that all the Board members and Senior Management Personnel have affirmed the compliance with the Code of Conduct as applicable for the year ended March 31, 2022.

Date : August 09, 2022
Place: Mumbai

Rahul R. Katyal
Managing Director & Chief Executive Officer
DIN: 00253046

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10) (I) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015)

To,
The Members of,
Capacit'e Infraprojects Limited
605-607, Shrikant Chambers, Phase-1, 6th Floor,
Adjacent to R.K. Studios, Sion-Trombay Road,
Chembur, Mumbai – 400071, Maharashtra.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Capacit'e Infraprojects Limited** having **CIN: L45400MH2012PLC234318** and having registered office at 605-607, Shrikant Chambers, Phase-I, 6th Floor, Adjacent to R. K. Studios, Sion-Trombay Road, Mumbai – 400071, Maharashtra (hereinafter referred to as the "**Company**") produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2022** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Rahul Ramnath Katyal	00253046	09-08-2012
2.	Mr. Rohit Ramnath Katyal	00252944	01-03-2014
3.	Mr. Subir Malhotra	05190208	09-08-2012
4.	Mr. Sumeet Singh Nindrajog	00182873	06-08-2015
5.	Mr. Siddharth Deepak Parekh	06945508	18-10-2016
6.	Ms. Farah Nathani Menzies	06610782	11-11-2020
7.	Mr. Arun Vishnu Karambelkar	02151606	18-05-2018
8.	Ms. Manjushree Nitin Ghodke	07147784	11-08-2020

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

For **SHREYANS JAIN & CO.**
Company Secretaries

Shreyans Jain
(Proprietor)
FCS No. 8519
C.P. No. 9801
UDIN: F008519D000449476

Place: Mumbai
Date: 01/06/2022

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We hereby certify that:

A. We have reviewed Audited Financial Results of the Company for the quarter and year ended March 31, 2022 and to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. These statements together present a true and fair view of the listed entity affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the quarter and year ended March 31, 2022 which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to Auditors and Audit Committee:

i) That there are no significant changes in internal control over financial reporting during the year;

ii) That there are no significant changes in accounting policies during the year; and that the same have been disclosed in the notes to the financial results; and

iii) That no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

This certificate is being given to the Board in Compliance with Regulation 17(8) read with schedule II Part B of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015

For **CAPACIT'E INFRAPROJECTS LIMITED**

Rahul R. Katyal
Managing Director & Chief Executive Officer
DIN: 00253046

Rohit R. Katyal
Executive Director & Chief Financial Officer
DIN: 00252944

Date : May 27, 2022
Place : Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

Economic Overview:

Indian Economy:

Even as the international economy battles to recover from the epidemic, the ongoing geopolitical crisis has increased the level of uncertainty in the global macroeconomic and financial landscape. Oil and other commodity prices are soaring to multi-year highs as the situation continues, and financial markets are on edge due to enormous sell-offs. During these trying times, the Indian economy is witnessing spill overs as it recovers from the pandemic's third wave. Consumer and corporate confidence are improving in tandem with improved demand conditions. On the supply side, a resilient agricultural sector and persistent recovery in both the industrial and service industries are broadening the recovery.

The National Statistics Office's second advance projections for 2021-22 show that growth would be 8.9 per cent, 1.8 per cent higher than the previous year. Total consumption is expected to increase by 7% in 2021-22, with considerable contributions from government spending. Similarly, Gross Fixed Capital Formation surpassed pre-pandemic levels due to increased government infrastructure spending. Rising government infrastructure spending and an upsurge in the housing cycle have boosted the building sector. This has allowed steel consumption and production to return to pre-COVID levels, as has cement consumption[1].

Inflationary pressures on the headline CPI rose to 6.0 percent in January 2022 and 6.1 percent in February, breaching the upper tolerance limit. Core inflation, which excludes food and fuel, remained high in February, but declined from 6.0 percent in January to 5.8 percent, thanks to lower inflation in transportation and communication, nicotine and intoxicants, entertainment and amusement, and health[2].

Outlook:

The future impact of the rising geopolitical situation on global commodities price and logistics on inflation will be significant. Local cereal prices have risen in lockstep with foreign pricing in terms of food expenses, but record food grain production and buffer stock levels should keep domestic prices in control.

International crude oil prices are still volatile and rising due to considerable concerns about world supplies. Input cost pressures appear to be more likely to persist than previously anticipated, thanks to a broad-based increase in the price of important industrial inputs and global supply chain disruptions. Due to the economy's ongoing slack, their influence on retail prices has been negligible thus far. In the future, industrial companies expect rising input and output pricing pressures.

Based on these considerations, as well as the assumption of a normal monsoon in 2022 and an average crude oil price (Indian basket) of US$ 100 per barrel, inflation is now expected to be 5.7 percent in 2022-23.

Concerns regarding the rate of monetary policy normalisation in major industrialised countries, as well as the pandemic's potential course, darken the outlook. Real GDP growth for 2022-23 is now forecast to be 7.2 percent.

Industry Overview:

Indian Construction Industry:

In India, the construction sector is divided into two categories: real estate and urban development. Residential, office, retail, hotels, and leisure parks are all included in the Real Estate section. Water supply, sanitation, urban transportation, schools, and healthcare are all sub-segments of the urban development segment. Between April 2000 and September 2021, FDI in the construction development sector (townships, housing, built-up infrastructure, and construction development projects) and construction (infrastructure) activities totalled $26.16 billion and $25.95 billion, respectively. It is India's second largest employer. It will also be India's second largest FDI recipient sector in 2020-21, and the world's third largest construction market by 2025.

By 2025, India's building industry is anticipated to be worth $1.4 trillion. Cities are mostly responsible for growth. The urban population will contribute 75% of GDP (up from 63%) and 68 cities would have populations of over one million, up from 42 currently. In India, the construction industry is divided into 250 sub-sectors, with connections between them. By 2030, India's real estate industry is estimated to be worth $1 trillion, contributing 13% of the country's GDP.

[1] https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf
[2] https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53601

India has a $1.4 trillion infrastructure investment budget under NIP, with 24 percent going to renewable energy, 19 percent to roads and highways, 16 percent to urban infrastructure, and 13 percent to railways. Schemes like the innovative Smart City Mission (targeting 100 cities) are anticipated to improve people's quality of life by using modern, technology-based solutions.

9%
Share in India's GDP

51 Mn
People employed

Outlook:

Need for Affordable Housing

More than 40% of the Indian population is predicted to dwell in cities by 2030 (compared to 34% presently), resulting in a requirement for 25 million more affordable apartments.

Adoption of Green Building Solutions

Cities' growth will increase energy demand for building power, making measures like the updated Energy Conservation Building Code (ECBC) critical. The new paradigm emphasises the use of green building materials and energy-efficient HVAC and lighting systems.

Technology/AI Shaping the Industry

Techniques including aluminium formwork, prefabricated buildings, and building information modelling (BIM) are being used to save money, speed up construction, and improve quality.

Related Sub Sectors in Construction Industry:

i. Real Estate
ii. Construction Materials

i. Real Estate

The real estate industry has changed dramatically in the two years after the outbreak. While the COVID-induced 'work from home' paradigm lowered business space demand, it raised residential demand. On the other hand, commercial investments bode well considering the extent of corporate activity in India. Furthermore, by 2051, approximately 88 crore people are predicted to dwell in urban areas in India, up from the present 46 crores.

As a result, together with the government's urban housing programmes, this is likely to enhance demand for the residential segment, which would benefit the industry.

Low financing rates, favourable F government policies, lowered circle prices in Delhi, more ready-to-live projects, and other factors are propelling the expansion of India's real estate business. Rising demand for all segments bodes well since real estate is regarded as one of the most traditional and secure investment options.

According to a survey, more than 58% of individuals view real estate as a form of investment.

As a result, as the pandemic subsides and economic development accelerates, real estate prospects will likely improve[4].

ii. Construction Materials

Cement is the world's second largest producer. With the development in urbanisation, urban areas are predicted to house 40% of India's people and generate 75% of the country's GDP by 2030. From 35 in 2001 to 53 in 2011, the number of cities with populations over one million has increased. By 2030, it is anticipated to be 87. The building materials business, after agriculture, is the country's second largest employer. The sector not only employs a big number of people, but it also contributes considerably to the economy of the country. It is worth roughly $126 billion and accounts for 8% of India's GDP; industry reports predict that construction materials will grow at a CAGR of 15.7 percent year over year to reach $738.5 billion.

100%
FDI through automatic route

$8.290 bn
Cement sold in FY20

8%
Accounts for India's GDP

Technology Trends influencing Construction sector:

3D printing in construction could lead to faster and more precise development of complex projects, lower labour costs, and less waste. Even the usage of drones and robotic devices has been quite beneficial. They have aided in extremely efficient tracking and inspection in difficult-to-access regions of the project, resulting in a safer working environment. When it comes to integrating data gathering and analysis technologies, the Internet of Things (IoT) has also been a driving force in real-time tracking and monitoring. Overall, construction management apps are digital enhancements to the business to ensure project completion on time and within budget[5].

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[4] http://naredco.in/notification/pdfs/Real-estate-outlook-nov21.pdf
[5] https://timesofindia.indiatimes.com/blogs/voices/top-ways-in-which-technology-can-disrupt-the-construction-sector-in-2022/

According to India's Ministry of Statistics and Programme Implementation, 504 projects have been delayed, resulting in more than 19% cost increases.

Some of the country's leading end-to-end construction management SaaS platforms have recently developed a mobile-first approach for the industry's site workers, managers, and owners, with the visible power of collaboration on apps meant to simplify communication and cooperation. For example, in 2021, an Indian construction management software assisted in completing around 1% of the country's construction, valued at 7000 crores. These apps can aid in the real-time transmission of information from the worksite to remote offices, hence improving project execution. The ability to track and manage expenditures and labour efficiently is also beneficial. The use of such apps in the construction industry also allows for the control of much of the work via the cloud-connected dashboards that they come with. As a result, building project management software is designed specifically for collaborative project execution. Interaction between teams and people may occur more efficiently at each stage of the project and among all essential stakeholders, reducing clutter and confusion[5].

Opportunities of Indian Construction Sector:

Foreign Investments:

In completed projects for operations and management of townships, malls/shopping complexes, and business constructions, 100 percent foreign direct investment in the construction industry in India is permitted under the automatic method.

Under the automatic approach, 100 percent foreign direct investment in urban facilities such as transportation, water supply, sewerage, and sewage treatment is permitted.[6]

Foreign investors should note the following factors that will drive the investment viability of India's construction sector:

- Demand for infrastructure and real estate continues to rise.
- By 2030, the real estate sector is estimated to be worth $1 trillion and contribute roughly 13% of the country's GDP.
- By 2025, the country's urban population is predicted to account for half of the overall population.
- India has a variety of projects in which international investors can invest. Development of residential and commercial buildings, transportation infrastructure, and efficient water supply and sewerage systems are all popular examples. As part of the smart city development initiative, the attention has recently shifted to the construction of green buildings employing sustainable and environmentally friendly materials and renewable-based technologies.[7]

Improved Governance of Projects:

Planners may better predict project demands, collaborate and communicate better, and easily manage delivery for better results with improved project planning and modelling using BIM (Virtual Design and Construction-VDC). All stakeholders may follow project progress, prevent any delays due to labour or material shortages, provide improved predictions for pricing and revenue management, and ultimately build a more efficiently managed and executed construction project using BIM as the common foundation. In 2021, there will be an option to deploy such technology so that projects can be handled remotely by supervisors or engineers via online monitoring.

Personalized Sales Experience:

Customers can now virtually see the complete scope of a project thanks to improvements in Augmented Reality (AR) and Virtual Reality (VR) technologies. This will enable construction companies to build virtual tours for potential clients, providing them with more information about the project and maybe assisting them in their investment decision. Technology may also assist in the creation of targeted advertising campaigns to better promote projects to the proper audience with the right information on price, financing alternatives, amenities, and other factors in order to pique their interest and ultimately lead to a transaction. Many of the new industry standards enacted during the epidemic, including as improved employee health and safety systems and project planning, could have a long-term influence. Digital transformation could become the cornerstone in the Indian construction sector's revival plans for 2021 and it may all be down to the pandemic to have forced that change into the sector.

Furthermore, the safety, practicality, and sustainability of the new building designs can now be tested in a simulation and the feedback will be just as accurate as it would be if the test was executed in real life because the simulation directly derives data from the world.

Hybrid Remote Workspaces:

Employees are investing in making the home environment more conducive for work while employers are now investing in providing infrastructure to employees to maintain business

[6] https://www.investindia.gov.in/sector/construction

[7] https://www.iloconsulting.in/knowledge-center/indian-construction-industry

continuity, leading real estate experts said. However, one positive that can be accepted from the situation is the large scale adoption of new technology to ensure business continuity. The construction industry also took advantage of the various work from home options to allow skilled personnel to continue their contribution to the project work from any location, including their homes. As Covid-19 cases keep pushing back, even a year later, “disruptions” have been recognised as the new normal. Although, many managements prefer working in office settings, there has begun a preference to occupy temporary, smaller satellite offices that are strategically located in new & emerging markets, instead of a single centralised office space. A flexible work model benefits the company & employees, enhancing productivity and allows organisations to reduce space requirements, resulting in reduced operations costs.

Indian Real Estate Market:

The Indian real estate market is currently worth $200 billion, but it is predicted to grow to $650 billion by 2025 and $1 trillion by 2030. In 2019, it supplied employment to 5.5 crore people. However, a career in the sector has taken a significant hit due to the devastating impact of the COVID pandemic on output and income. With the pandemic receding, the industry is seeing a boom in demand, with the commencement of stalled government projects offering a boost. Private equity (PE) investment, which fell due to the Covid-19 pandemic, is gradually recovering, with the figure for the first quarter of 2021 revealing that $3,241 million has already been invested this year, accounting for roughly three-fourths of the total amount invested in 2020 and nearly half of the total amount invested in 2019. Total investments in 2021 are expected to exceed those in 2019 and exceed those in 2017 and 2018 before COVID 19.[8]

Outlook:

In the residential segment, India's real estate sector is expected to rise by roughly 5% in capital value by 2022. According to some estimates, sales momentum will go up in 2022, as prospective homebuyers will continue to favour larger homes with more facilities, and attractive pricing will keep them interested in closing transactions. Meanwhile, when office employment restarts, the commercial sector's rebound and the flight-to-quality tendency are likely to keep rents stable and climb in 2022. Furthermore, in the coming year, the luxury home market is expected to reach new heights. According to the NITI Aayog, the Indian real estate market would be worth $1 trillion by 2030, accounting for 13% of India's GDP. The real estate business, which is already the third-largest contributor to economic growth, is predicted to keep growing in 2022.

Govt Initiatives:

The Indian government has launched a number of initiatives in the hopes of encouraging people to own real estate. The proposals made in the Union Budget 2022-2023 will aid in the development of a robust real estate market.[8]

Incentives for Affordable housing:

Affordable Rental Housing Complexes (ARHCs), a sub-scheme of the Pradhan Mantri Awas Yojana - Urban (PMAY-U), will be implemented by public/private bodies by converting existing government-funded vacant complexes into ARHCs or by constructing, operating, and maintaining ARHCs on their available vacant land.

This programme was designed following the concept of "Aatma Nirbhar Bharat" to build a sustainable ecosystem of inexpensive rental housing solutions for urban migrants and the disadvantaged. It intends to establish a favourable environment for public/private entities through legislative incentives that will leverage investment in creating an affordable rental housing supply.

Pradhan Mantri Awas Yojana (Urban – Housing for All):

PMAY-U is being implemented in four verticals, and eligible beneficiaries, including slum dwellers, can benefit from any of the four verticals. The ISSR component of the Mission focuses primarily on slum reconstruction to provide slum residents with a dignified living environment. PMAY-U makes no provision for component-specific budget allocation. However, a total of 28,000 crores has been allocated in the current budget (FY 2022-23) to implement PMAY-U across all sectors[10].

Atal Mission for Rejuvenation and Urban Transformation (AMRUT):

The Atal Mission for Rejuvenation and Urban Transformation (AMRUT) aims to:

a) Ensure that every family has access to a tap with a reliable water supply and a sewerage connection.

b) Improve city amenity by building greenery and well-maintained open areas (e.g. parks)

c) Reduce pollution by using public transportation or constructing non-motorized transportation facilities

The AMRUT plan received a budget allocation of USD 858 million in the Union Budget 2018-19. Many government

[8] http://naredco.in/notification/pdfs/Real-estate-outlook-nov21.pdf
[9] https://pib.gov.in/PressReleseDetailm.aspx?PRID=1657795
[10] https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1810452

construction plans have similar goals, yet the paths they take may differ. AMRUT and the Smart Cities Mission have a significant connection: while AMRUT uses a project-based approach to achieve urban change, the Smart Cities Mission uses an area-based strategy.

- In tier-2 cities, the projects **'Metro Lite'** and **'Metro Neo'** will improve urban infrastructure. In addition, the government will increase the use of public transportation in metropolitan areas by expanding the metro rail network and improving the city bus service. A new scheme worth INR 18,000 crores will be established to assist the expansion of public bus services. The initiative is supposed to make it easier for private companies to finance, purchase, manage, and maintain nearly 20,000 buses through innovative public-private partnership (PPP) models. In 27 cities, there are 702 kilometres of conventional metro and 1,016 kilometres of metro and regional rapid transit system (RRTS) under construction.

Indian Commercial Real Estate Market:

Even amid the nationwide shutdown, commercial real estate has been a profitable financial opportunity. Residential and commercial real estate received a strong reaction in 2021. Commercial real estate is one of the most resilient investment possibilities due to its stability and security. Commercial office spaces, freehold commercial, residential buildings, storage, and other investment opportunities will be in high demand in 2022.[11]

The commercial real estate sector in India was already gaining traction, with increased demand and rates per square foot following the country's nationwide shutdown. Commercial real estate, as well as warehouse, special purpose, and mixed-use properties, are particularly appealing investment opportunities in India. While the office market was somewhat slow in 2020 and the first part of 2021, it has begun to pick up steam.

Here are some trends of Indian Commercial Real Estate sector:

Hike in demand for co-working spaces:

After the initial shock, commercial real estate was the first to stabilise and gather traction in late 2021. According to JLL, office space leasing is expected to reach 30-32 million sq ft, which is close to the five-year average. Renewals for office spaces accounted for 30% of overall leasing over a 15-month period, indicating that office spaces are making a gradual and steady comeback.

Hybrid working hours: According to a Prudential survey, 68 percent of employees favour a hybrid workplace model that allows them to work outside of the office. This has numerous advantages, including cost savings and increased production. In 2022, this tendency is projected to continue.

Increasing the number of co-working spaces: Seat absorption in the co-working mode will grow by 20–30%. Companies in Tier II and Tier III locations will also look into flexible office spaces to add to the numbers[12].

Increased tech-enabled ambiance: Future workplace spaces will feature architecture that supports AI-assisted job roles, sensor-based automation, and robotics.

Renovation and repurposing: Following the Covid-19 outbreak and subsequent lockdowns, many corporations and start-ups are concentrating on revamping and repurposing their existing office buildings. This will free up some space and make it more attractive to prospective tenants.

Increasing demand for data centres

The Covid-19 epidemic has intensified the massive digital drive that data centres have profited from. Companies began remodelling their digital infrastructure to meet the new workplace environment as soon as the country was placed on lockdown, resulting in a 25–35 percent increase in data centre capacity use. The Indian data centre industry now has 445 MW of essential IT capacity, with an additional 290 MW planned in 2022, bringing the total capacity to 735 MW by the end of the year.

Work from home, online education, video conferencing, an increase in e-commerce activity, and webinars are all increasing demand for secure data centres. Data centres are gaining traction as an alternative real estate type with a bright future[12].

Schop-cum-office space (SCO) – another avenue for monetisation

The revolutionary concept of the Shop-cum-Office plot, which allows developers to offer plots for up to four-story buildings that can be used for office or retail purposes. The SCO markets have been a huge success, with early investors' money multiplying many times in a short amount of time. Investors can profit from consistent cash flow, higher revenue, and longer leases, among other things.

According to industry analysts that are tracking trends, the commercial real estate market for offices will pick up again, but with a few different characteristics. The last quarter of 2021 saw consistent rental increase, and the trend is expected to continue in 2022[12].

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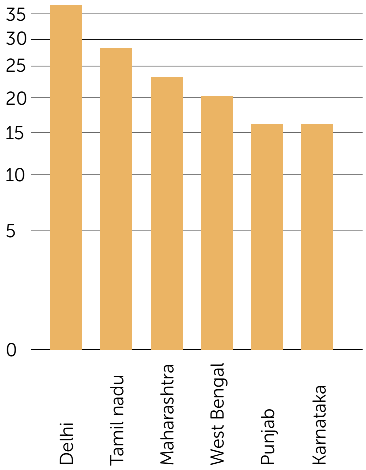
[11] https://sbnri.com/blog/real-estate/commercial-real-estate-market-analysis

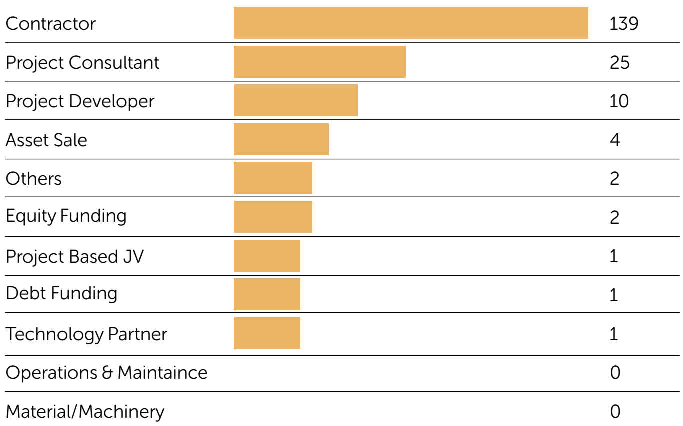
[12] https://www.financialexpress.com/money/top-5-commercial-realty-trends-to-look-out-for-in-2022/2397598/

Opportunities of Commercial Real Estate:

Top performing states



Commercial Real Estate | Requirement



Source: https://www.investindia.gov.in/sector/construction

Indian Residential Real Estate Market:

The residential portion of the Indian real estate market accounts for 80 percent of the market (averaging around 3-5 percent of GDP). According to the research, the impact on residential market traction in H1 2021 was viewed as more of a speed bump than a serious impediment.[13]

Residential prices are projected to begin growing again after a period of decreasing and then stabilising. In 2022, the country's residential property market is predicted to rise by 5% in capital value.

As things begin to normalise, residential sales volumes increased by 67 percent year over year to 99,416 units, while unsold inventories decreased by 1% year over year to 441,742 units in H1 2021, down from 441,742 units in H1 2020. The government's emphasis on affordable housing is projected to boost this sector even more.

By 2023, the organised retail real estate industry is predicted to grow by 28% to 82 million square feet. India received USD 2.4 billion in real estate investments, a 52 percent increase year over year in the first half of 2021.

The enthusiasm continued when the Union Budget 2022 promised a Rs 20,000 crore infrastructure investment for Gati Shakti. In FY23, the Pradhan Mantri Awas Yojana (PMAY) for urban and rural households will cost Rs 48,000 crore. The real estate market is projected to recover from the shock over the forecast period since it is a "black swan" event (COVID '19) that is unrelated to continuing or fundamental market or global economy issues.

In urban parts of India, there is now a housing shortage, and more housing will be required to meet future demand. This demand comes from the economically disadvantaged population due to a lack of housing policies. Public-private partnership policies have been used in various Indian cities to create housing.

By 2030, India's main cities are predicted to house more than 40% of the country's population. According to the Union Ministry of Housing and Urban Affairs, 70 percent of India's future cities must be created to accommodate the country's rapidly rising urban population. In 2021, work from anywhere grew more popular, and demand for cheap houses with ticket sizes less than INR 40-50 lakh soared in Tier 2 and 3 cities/towns, causing price hikes in some locations.

The one-year extension of the affordable housing tax credit for both developers and buyers has stimulated demand for this home lot even further. The government's 'Housing for All' initiative, which begun in 2015, intends to provide affordable housing to the urban poor by March 31, 2022. This has strengthened this group, and various rules and restrictions have been put in place to help the economically disadvantaged find affordable housing.

[13] https://www.financialexpress.com/money/residential-prices-likely-to-show-a-5-capital-value-growth-in-2022-report/2497902/

Outlook:

House Prices

According to Knight Frank, Indian house prices are set to rise by 5 percent in 2022. After the volatility of the last few years, greater stability is predicted for this year. The main reason for this increase is due to supply and demand factors. In 2021, the residential property market saw a growth of over 50% in the country's top cities. The worldwide jump in the property market was unexpected and surprised everyone. The increased activity in the property market was hugely influenced by the record low interest rates brought into place across the globe. People also saw more value in bigger and more flexible homes because of their changing lifestyles. Despite the changes to interest rates due, the rest of 2022 will be another competitive year for homebuyers looking for bigger houses with better facilities and amenities[14].

Rental Property

Many first-time buyers have found the opportunity to get on the property ladder appealing in recent years, thanks to historically low loan rates. However, interest rates are expected to climb again in the coming months, resulting in increased competition in the rental market, making renting a more realistic alternative than buying.

Super High Rise Segment in India:

With nearly 200 skyscrapers and 12,000 constructed high-rise buildings, Mumbai has the highest concentration of high-rises in India. It is also known to have the 7th highest number of high-rises in the world as well as the highest number of high-rises under construction.

Most of these sky-high buildings are residential. India is the second-most populated country in the world and so are all of its cities. With densely populated cities, a burst in trade operations, commercial activities and urban growth, metropolitan regions in the country are facing a surge—both in cost and kind. Property and land are beginning to be scarce and costly where tall buildings pose the best results for resolving such a problem by growing vertically through constructed structures and accommodating more people, than developing horizontally[15].

Factors such as continuous migration to metropolitans, decreasing space and the high density of population in cities like Delhi and Mumbai resulting in a congestion influx make high-rise buildings a necessary requisite in today's day and age. The only practical way to meet the needs of the nation's rising population while tackling the limited availability and expensive cost of land is to design and build tall and grow vertically.

The need for tall buildings and the ease of lockdowns adds to the residential demand in India also seeing an upsurge in both sales and launches .Dynamically changing trends such as remote working due to COVID-19, real estate investment options like REITs, desire for owning a home, need for foreign investors for valuable resources and availability of ready-to-move-in buildings actively encourages individuals to purchase houses.

Previously, high-rises were primarily driven by the emphasis on their structure but shifting trends and technological advancements in construction methods provide more creative and architectural freedom in modern times. The utility of sky-scrapers has changed from institutional functions to more of residential and mixed-use purposes. The modern use of innovative construction such as autoclaved aerated concrete blocks (AAC) over other conventional materials as a reasonable and sustainable substitute is being widely accepted in India even though its market remains in a nascent phase in the country.

While construction development is happening vertically in the country, high-rises also contribute to the planet in a sustainable manner by avoiding the loss of agricultural land, giving more plantation space, decreasing air pollution through travelling vertically, shortening distances, and decreasing dependence on roads and vehicles. Elevated buildings also look to make the best use of compactness by minimizing physical footprint and housing a greater number of families in comparison to horizontal expansion, leaving more floor area for public spaces and refining the efficacy of land use.

An abundance of amenities in presently constructed tall buildings also makes high-rises a viable option of residence. Modern high rises in India offer easy accessibility to recreation parks, swimming pools, schools, shopping facilities and other community stations. Such towering structures are built to provide its residents with a convenient and socially balanced living environment fulfilling the need for privacy, using minimum energy and other natural resources such as natural lighting.

Company Overview:

Capacit'e Infraprojects Ltd., founded in 2012, is a Small Cap business in the Construction industry with a market capitalization of Rs 785.84 crore. Contract Revenue and Scrap are two of Capacit'e Infraprojects Ltd's primary products/ revenue segments for the fiscal year ending 31-Mar-2021.

[14] https://www.financialexpress.com/money/residential-prices-likely-to-show-a-5-capital-value-growth-in-2022-report/2497902/

[15] https://www.hindustantimes.com/brand-post/the-surge-in-india-s-high-rises-a-present-day-requisite-101632907432707.html

Capacit'e provides project design, construction, and management services to the country's largest real estate and government entities. India's high-rise and super-high-rise construction projects are now being driven by our team of professionals and skilled employees. Our creative skills and operating domain experience have propelled us to the forefront of our markets.

Capacit'e Infraprojects does not consider itself a construction company; rather, they consider themselves a "Engineering Specialist." They We have established themselves as a trusted brand by focusing on EPC delivery and cutting-edge technology for High Rise, Super High Rise, Commercial, IT/ITES, Healthcare, Gated Communities, MLCP's, and Premium Private Residences.

Strengths:

Quality

The QA/QC cell assists project sites in developing optimal concrete mix designs, notably for high strength, free-flowing concrete, and concrete with vertical pumping capability, as well as monitoring the inspection and testing plan for all materials and products.

Innovation

Client complaints are tracked by automation and software, which allows for technical response. IT supplies project sites with training, documentation, technical support, and assistance.

Plant and machinery

They've built a strong plant and machinery cell that's in charge of things like identifying requirements, resource planning, selecting new equipment for procurement, mobilisation, installation, and commissioning of equipment at project sites, equipment inspection, testing, and calibration, and routine preventive maintenance. After careful analysis of the functional requirements, movement constraints, and performance criteria, tower cranes, passenger and material hoists, concrete pumps, and placers are installed at project sites.

ERP Buildsmart - RIBCCS

They established an information technology and enterprise resource planning department, with the IT cell in charge of hardware, software, and IT infrastructure. The IT department oversees the implementation of our integrated cost management system, which includes Buildsmart ERP and Candy from RIB CCS.

Buildsmart ERP, which has been integrated across all offices and project locations of the Company, handles the complete procurement of products and services, as well as accounting tasks.

Safety

The Company places a high priority on occupational health, safety, the environment, and cleanliness at our project sites. They were awarded certification for their Environmental Management System as well as their Occupational Health and Safety Management Systems. Their Company's HSE cell develops and monitors project-specific HSE plans, as well as hazard identification, risk assessment, and emergency response plans.

Professional

The QA/QC cell assists project sites in developing optimal concrete mix designs, notably for high strength, free-flowing concrete, and concrete with vertical pumping capability, as well as monitoring the inspection and testing plan for all materials and products. It keeps track of customer concerns and allows for technical response. It provides project sites with training, documentation, technical support, and direction.

Formwork

The formwork cell is responsible for the projects' design, detailing, planning, customisation, procurement, deployment, training, implementation, and maintenance. The formwork cell guarantees proper formwork usage, meets cycle time and productivity requirements, and stacks, handles, cleans, maintains, and upkeeps formwork supplies.

Financial Overview:

Key Ratios

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is required to provide details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor. The key financial ratios are given below:

Ratios	FY 2021-22	FY 2020-21
Debtors Turnover (no. of days)	109	126
Inventory Turnover (no. of days)	146	199
Interest Coverage Ratio (in times)	6.2	3.4
Current Ratio (in times)	1.4	1.4
Debt Equity Ratio (in times)	0.34	0.31
EBITA (in %)	16.81	18.19
Net Profit Margin (in %)	3.35	0.20
Return on Net Worth (in %)	4.70	0.19

[Information to be given – Please note that Return on Networth is a mandatory field and other ratios to be given only if the change is 25% or more]

- **Operational Overview:**

The Company is engaged in construction of buildings & factories with specialization in construction of Highrise and Super High-rise residential, commercial, institutional buildings including super speciality hospitals etc.

As a sector focused Construction Company, a varied order book from some of the most prominent clients from private as well as public sector, lean balance sheet and a flexible management with adaptability to change, we have carved a niche in the Factory & Building space within a short span of time.

- **Risk Management**

Risk management is an inherent part of the Company's business, and the management is proactive in terms of managing risks in an organised manner. By virtue of the nature of its business, the Company is susceptible to various risks that might arise due to economic, political, legal, environmental, people, operational, currency fluctuation, and so on. The Company's risk management strategy is governed and monitored by the Risk Management Committee. The Executive Management Team regularly reviews the key risks and monitors mitigating measures adopted by the Company. The Risk Management Committee evaluates initiatives to further strengthen risk management framework of the Company considering the growth strategy and the dynamic business environment in which it operates.

- **Internal Control**

To handle all of its business processes, the organisation has implemented appropriate internal control systems and procedures. For all managerial positions, the organisation has well defined tasks and responsibilities. The Company's internal control system is appropriate for the company's size, scope, and complexities. The Audit Committee regularly assesses the adequacy and effectiveness of internal control systems and makes recommendations for changes, all while ensuring that assets are protected, established requirements are followed, and pending issues are promptly resolved.

The audit is conducted in accordance with an internal audit plan that is reviewed and approved by the audit committee each year. For each main feature of the financial statements, the Company has recognised inherent reporting risks and implemented procedures to reduce them. In light of changes in the business, regulations, and internal rules, these risks and mitigation controls are reviewed on a regular basis. The audit committee found that internal financial controls were adequate and functioned effectively as of March 31, 2022, based on its evaluation (as specified in Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Regulations, 2015).

- **Human resources**

The workplace culture is largely determined by the employees. At work, their behaviours, attitudes, and interests shape the culture. Employees are valued and appreciated by successful businesses. They understand how important people are to a company's success and work hard to provide competitive compensation, attractive benefits, and pleasant working circumstances.

Employees are more than just a cost of doing business. They are a long-term asset that adds value to the company. Human capital consists of employees. Simply said, people are more than just employees; they are one-of-a-kind, complex investments that must be carefully managed to support their growth and contribute value to the organisation. Businesses that invest in employee training, develop effective employee relations programmes, and include employees in decision-making have a higher profit margin.

Employee management is not solely the responsibility of human resources and direct supervisors. Work practises, supportive leadership, and employee management strategies that enable positive employee relationships throughout the organisation are critical to retaining, developing, and maximising human capital. Just as it sets strategic business goals, an organisation should identify strategic human capital goals that align with those goals and foster an organisational culture that encourages employee success and growth.

- **CSR**

Company strives to be a socially responsible and strongly believes that long term success and growth depends on the development and well being of the society at large. Company understands its co-extensive responsibility to put efforts to make positive contribution to the benefits of the society at large through small steps that help bring about big change in long term.

Currently, the focus areas of CSR activities are:

(i) promotion of health care;

(ii) disaster management, including relief, rehabilitation and reconstruction activities.

Disclaimer

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non identified risks and uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, a global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Capacit'e Infraprojects Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of Capacit'e Infraprojects Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 46 to the standalone Ind AS financial statements, which describes the management assessment of uncertainties related to Covid-19 and its consequential impact on the recoverability of its assets and operations of the Company. Our opinion is not modified with respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone Ind financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition for construction contracts (as described in Note 36 of the standalone Ind AS financial statements)	
The Company's significant portion of business is undertaken through engineering, procurement and construction contracts. Revenue from these contracts are recognized over a period of time or at a point of time, in accordance with the requirements of Ind AS 115, 'Revenue from Contracts with Customers'. Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method which is determined based on survey of work done by the Company. This involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance obligation completed till date. Accuracy of revenues and determination of onerous obligations, involves significant judgements and estimates, which may impact the profits. Accordingly, this is considered as a key audit matter.	• Our audit procedures included reading the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers. • Understood and tested on a sample basis the design and operating effectiveness of management control over revenue recognition with focus on determination of extent of completion. • Performed test of details, on a sample basis, and read the underlying customer contracts for terms and conditions. • Understood the management's process to recognize revenue over a period of time or at a point of time, status of completion of projects and total cost to completion estimates. • Tested contracts with low or negative margins to assess the level of provisioning required, including for onerous obligations. • Tested that the contractual positions and revenue for the year are presented and disclosed in compliance of Ind AS 115 in the financial statements. • Read the disclosures made by management in compliance of Ind AS 115, tested the disclosures made with underlying transactions.
Trade receivables and contract assets (as described in Note 36 of the standalone Ind AS financial statements)	
Trade receivables and contract assets amounting to ₹ 46,449.19 lakhs and ₹ 58,299.09 lakhs respectively, represents approximately 43.81% of the total assets of the Company as at March 31, 2022 against which provision for doubtful debts amounting to ₹ 7,246.90 lakhs was made. In assessing the recoverability of the aforesaid balances and determination of allowance for expected credit loss, management's judgement involves consideration of aging status, historical payment records, evaluation of litigations, the likelihood of collection based on the terms of the contract and the credit information of its customer including the possible effect from the pandemic relating to COVID-19. Management estimation is required in the measurement of work completed during the period for recognition of unbilled revenue. We considered this as key audit matter due to the materiality of the amounts and significant estimates and judgements as stated above.	Our audit procedures amongst others included the following: • Understood and tested on a sample basis the design and operating effectiveness of management control over assessing the recoverability of the trade receivables and contract assets. • Performed test of details and tested relevant contracts, documents and subsequent receipts for material trade receivable balances and amounts included in contract assets that are due on performance of future obligations. • Tested the ageing of trade receivables at year end. • Performed test of details and tested relevant contracts and documents with focus on measurement of work completed during the period for material unbilled revenue balances included in contract asset. • Performed additional procedures which include, on test check basis, read the communications to/ from customer, physical site visits, verification of last bills certified and subsequent client certifications. • Assessed the allowance for expected credit loss made by management including the possible effect from the pandemic relating to COVID-19.

We have determined that there are no other key audit matters to communicate in our report.

Other Information

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

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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 for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;

   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 37 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership Number: 037924
UDIN: 22037924AJTMFL5342
Place of Signature: Mumbai
Date: May 27, 2022

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(B) The Company has maintained proper records showing full particulars of Intangible assets.

(b) Fixed Assets [other than site establishment assets (Gross Block of ₹ 42,037.41 lakhs; Net Block of ₹ 21,390.07 lakhs referred to in Note 4 to the standalone Ind AS financial statements) which is charged off to the statement of profit and loss as per the life of the project] have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanation given by the management, the title deeds of all the immovable properties included in property, plant and equipments are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.

(b) As disclosed in note 16 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of accounts of the Company to the extent given below:

₹ in lakhs

Quarter ending	Value per books of account*	Value per quarterly return/statement*	Discrepancy
Inventory			
June 30, 2021	6,045.37	5,922.69	122.68
September 30, 2021	5,703.12	5,399.82	303.30
December 31, 2021	4,729.22	4,726.10	3.12
March 31, 2022	4,986.06	4,973.39	12.67

₹ in lakhs

Quarter ending	Value per books of account*	Value per quarterly return/statement*	Discrepancy
Trade receivables + WIP (Unbilled revenue)			
June 30, 2021	62,525.43	69,851.93	(7,326.50)
September 30, 2021	76,307.56	65,811.61	10,495.95
December 31, 2021	70,574.52	66,240.25	4,334.27
March 31, 2022	71,197.95	78,877.40	(7,679.45)

₹ in lakhs

Quarter ending	Value per books of account*	Value per quarterly return/statement*	Discrepancy
Trade payables			
June 30, 2021	17,770.22	15,607.05	2,163.17
September 30, 2021	23,514.67	18,895.78	4,618.89
December 31, 2021	20,215.65	23,649.40	(3,433.75)
March 31, 2022	21,894.73	25,510.25	(3,615.52)

*Value excludes the amount pertaining to projects, which are specifically charged to project financer - Refer note 16(e) to the standalone financial statements.

(iii) (a) During the year, the Company has renewed on a quarterly basis inter corporate deposits given to a Company and a Limited Liability Partnership amounting to ₹ 1,000 lakhs and 300 lakhs respectively. The balance outstanding of ICDs is ₹ 1,300 lakhs as on the balance sheet date. There are no other loans, advances in the nature of loans, guarantees or security provided by the Company during the year.

(b) During the year the Company has not made any investments, provided security or provided guarantees to any party. The Company has quarterly renewed inter corporate deposits of ₹ 1300 lakhs during the year without receipt of interest from the parties. Taking into consideration, security available with the Company and management assessment of the financial position of the Company, it has not been considered prejudicial to the Company's interest.

(c) In respect of inter corporate deposits (ICDs) outstanding during the year, schedule of repayment of principal and payment of interest has been stipulated. The principal amount of such ICDs are renewed quarterly during the year and the interest on such ICDs has not been received as stipulated.

(d) The Interest of ₹ 371.68 Lakhs is overdue for more than ninety days on inter corporate deposits. The reasonable steps have been taken by the Company for recovery of the overdue interest.

₹ in lakhs

Number of Cases	Principal Amount	Interest Overdue	Total
2	₹ 1300 Lakhs	₹ 371.68 Lakhs	₹ 1671.68 Lakhs

(e) During the year, the Company had quarterly renewed Inter corporate deposits given to Company/Limited Liability Partnership which had fallen due during the year. The aggregate amount of such renewal and the percentage of the aggregate to the total loans granted during the year are as follows:

₹ in lakhs

Name of Parties	Aggregate amount of ICDs renewed	Percentage of the aggregate to the total loans granted during the year
Epitome Residency Private Limited	₹ 1000 Lakhs	77%
Tridhaatu Assets holding LLP	₹ 300 Lakhs	23%

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities given in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the construction and infrastructural development, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) During the year, there were delays in payment of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax and other statutory dues aggregating to ₹ 2,672.83 Lakhs with the appropriate authorities. All other statutory dues are paid within the applicable due date.

According to the information and explanations given to us and based on audit procedures performed by us, undisputed dues of ₹ 7.12 lakhs in respect of profession tax was outstanding, at the year end, for a period of more than six months from the date they became payable. Both the amounts have been paid subsequent to the balance sheet date.

(b) The dues of income-tax, provident fund and goods and services tax not been deposited on account of dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	68.99	AY 2014-15	Commissioner of Income-tax (Appeals)
		655.06	AY 2015-16	Commissioner of Income-tax (Appeals)
		832.22	AY 2017-18	Commissioner of Income-tax (Appeals)
		664.22	AY 2018-19	Commissioner of Income-tax (Appeals)
		896.02	AY 2019-20	Commissioner of Income-tax (Appeals)
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	106.29	FY 14-15 and 15-16	Employees' Provident Fund Appellate Tribunal
Goods and Services Tax Act, 2017	Goods and Services Tax	407.11	FY 17-18	Assistant Commissioner of State Tax
		2,880.08	FY 18-19	Assistant Commissioner of State Tax
		712.97	FY 19-20	Assistant Commissioner of State Tax

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) During the year, up to August 2021, the Company has delayed in repayment of dues to financial institutions and banks as stated below:

Nature of borrowing	Lenders	Principal (₹ in lakhs)	Interest (₹ in lakhs)	No. of days delay or unpaid	Remarks
Term loan from Banks					
	HDFC Bank	617.47	55.57	Less than 30 days	As communicated by the banks/ FIs to the management, delays are technical in nature and has not been considered as default by them
	Axis Bank	371.88	37.19	Less than 30 days	
	Janakalyan Sahakari Bank Ltd	81.85	8.19	Less than 30 days	
	ICICI Bank	64.26	6.43	Less than 30 days	
	Suryoday Small Finance Bank Ltd	56.31	6.19	Less than 30 days	
	Yes Bank	30.39	2.74	Less than 30 days	
	Union Bank of India	18.72	2.12	Less than 30 days	
	Kotak Mahindra Bank	5.68	0.57	Less than 30 days	
Term Loans from Financial Institutions					
	HDB Financial Services Ltd	112.12	12.89	Less than 30 days	
	Mahindra & Mahindra Financial Services Ltd	59.06	7.38	Less than 30 days	
	SREI	44.95	4.50	Less than 30 days	
	Tata Capital Finance Services Ltd	43.96	5.06	Less than 30 days	
	PNB Housing Finance Ltd	2.69	0.29	Less than 30 days	
	Total	**1,509.34**	**149.11**		

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) During the year, the Company has not raised loans on the pledge of securities held in its subsidiaries, joint ventures or associate and hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clauses 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to further report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceeding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 51 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 30 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 30 to the financial statements.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership Number: 037924
UDIN: 22037924AJTMFL5342
Place of Signature: Mumbai
Date: May 27, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONEINDASFINANCIALSTATEMENTS OF CAPACIT'E INFRAPROJECTS LIMITED

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

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Capacit'e Infraprojects Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership Number: 037924
UDIN: 22037924AJTMFL5342
Place of Signature: Mumbai
Date: May 27, 2022

BALANCE SHEET AS AT MARCH 31, 2022

₹ in lakhs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
A - Assets			
1) Non-current assets			
Property, plant and equipment	4	67,922.27	65,085.69
Capital work-in-progress	4	1,366.08	587.83
Investment properties	4A	737.72	750.67
Intangible assets	5	77.80	101.81
Right-of-use assets	5A	632.40	504.21
Intangible assets under development	5	38.62	11.74
Financial assets			
Investment	6	467.94	543.50
Trade receivables (retention)	12	7,086.24	8,147.74
Other financial assets	8	2,312.28	10,741.53
Non current tax assets (net)	10	3,183.34	2,208.76
Other non-current assets	9	9,392.95	11,966.07
Total non-current assets		**93,217.64**	**1,00,649.55**
2) Current assets			
Inventories	11	11,153.96	10,044.86
Financial assets			
Investments	6	60.40	32.44
Trade receivables	12	39,362.95	28,472.42
Cash and cash equivalents	13	2,211.05	982.64
Bank balances other than cash and cash equivalents	14	16,176.82	14,638.60
Loans	7	1,300.00	1,300.00
Other financial assets	8	64,313.88	56,310.32
Other current assets	9	11,322.63	12,072.30
Total current assets		**1,45,901.69**	**1,23,853.58**
Total-Assets		**2,39,119.33**	**2,24,503.13**
B - Equity and Liabilities			
1) Equity			
Equity share capital	15A	6,789.15	6,789.15
Other equity	15B	90,610.54	86,115.51
Total equity		**97,399.69**	**92,904.66**
2) Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	13,736.60	8,233.79
Lease liabilities	16A	443.21	294.50
Other financial liabilities	18	3,589.41	2,820.92
Provisions	19	316.34	214.82
Deferred tax liabilities (net)	21	3,509.00	3,469.92
Other non-current liabilities	22	18,961.87	25,985.84
Total non-current liabilities		40,556.43	41,019.79
Current liabilities			
Financial liabilities			
Borrowings	16	19,073.01	20,374.79
Lease liabilities	16A	244.03	220.96
Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		2,042.31	953.02
- Total outstanding dues of trade payables other than micro enterprises and small enterprises		50,771.73	41,257.66
Other financial liabilities	18	4,583.34	2,999.92
Provisions	19	244.90	219.26
Current tax liabilities (net)	20	1,258.49	1,251.53
Other current liabilities	22	22,945.40	23,301.54
Total current liabilities		**1,01,163.21**	**90,578.68**
Total liabilities		**1,41,719.64**	**1,31,598.47**
Total Equity and Liabilities		**2,39,119.33**	**2,24,503.13**
Summary of significant accounting policies	3		

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Jayesh Gandhi
Partner
Membership No : 37924

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Varsha Malkani
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2022

₹ in lakhs

Particulars	Notes	March 31, 2022	March 31, 2021
Income			
Revenue from operations	23	1,33,478.74	87,972.19
Other income	24	1,307.72	2,871.92
Total income		**1,34,786.46**	**90,844.11**
Expenses			
Cost of material consumed	25	55,488.86	35,691.33
Construction expenses	26	37,580.83	24,523.99
Employee benefit expense	27	10,889.09	7,880.75
Finance costs	28	6,696.41	7,025.45
Depreciation and amortisation expenses	29	9,881.31	9,016.23
Other expenses	30	8,170.28	6,224.30
Total expenses		**1,28,706.78**	**90,362.05**
Profit before tax		**6,079.68**	**482.06**
Current tax	31	1,581.05	636.44
Deferred tax	31	30.15	(445.60)
Adjustment of tax of earlier years		-	112.17
Total tax expense		**1,611.20**	**303.01**
Profit after tax		**4,468.48**	**179.05**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on defined benefit plans		35.51	185.12
Income tax effect		(8.94)	(46.59)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**26.57**	**138.53**
Total comprehensive income for the period/year		**4,495.05**	**317.58**
Earning per share (of ₹ 10/- each)	33		
- Basic (₹)		6.58	0.26
- Diluted (₹)		6.58	0.26
Summary of significant accounting policies	3		

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Varsha Malkani
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

₹ in lakhs

	Particulars	March 31, 2022	March 31, 2021
A	**Cash flow from operating activities**		
	Profit before tax	6,079.68	482.06
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expenses	9,881.31	9,016.23
	Finance costs	6,696.41	7,025.45
	Impairment allowance for trade receivables	2,271.83	2,129.10
	Gain on disposal of property, plant and equipment	(225.80)	(15.93)
	Fair value gain on financial instruments at fair value through profit and loss	(0.19)	(3.60)
	Sundry balance written back	7.41	(74.81)
	Finance income	(1,026.24)	(1,712.62)
	Operating profit before working capital changes	**23,684.41**	**16,845.88**
	Movement in working capital :		
	(Increase)/Decrease in Trade Receivables (Including bills discounted with banks)	(14,738.33)	(2,110.88)
	(Increase)/Decrease in Loans	-	-
	(Increase)/Decrease in Inventories	(1,109.10)	366.95
	(Increase)/Decrease in other assets and other financial assets	(6,468.57)	(2,841.94)
	Increase/(Decrease) in Trade payables	10,570.31	(9,333.46)
	Increase/(Decrease) in Provisions	162.67	(984.89)
	Increase/(Decrease) in Other liabilities and other financial liabilities	(6,111.84)	6,598.42
	Cash generated from operations	**5,989.55**	**8,540.08**
	Income tax paid (net of refunds)	(2,548.67)	(989.64)
	Net cash flow from operating activities (A)	**3,440.88**	**7,550.44**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment including CWIP and capital advances	(10,213.65)	(11,256.73)
	Proceeds from sale of property, plant and equipment	225.80	80.60
	Proceeds/Disposal of investment in perpetual securities of subsidiary	15.16	160.66
	Purchase of other investments	-	(60.30)
	Proceeds from sale of current investments	32.63	20.56
	Investments in bank deposits (having original maturity of more than three months), net	6,708.59	(2,508.57)
	Interest received	947.66	1,503.34
	Net cash used in investing activities (B)	**(2,283.81)**	**(12,060.44)**
C	**Cash flow from financing activities**		
	Repayment of long-term borrowings	(4,374.27)	(3,251.23)
	Proceeds from long-term borrowings	10,030.26	3,294.70
	Payment of principal portion of lease liabilities	(159.63)	(413.89)
	Proceeds/ (Repayments) from short-term borrowings, net	804.86	1,837.84
	Interest paid including interest on lease liability	(6,229.88)	(6,731.16)
	Net cash from/(used in) financing activities (C)	**71.34**	**(5,263.74)**
	Net increase/(decrease) in cash and cash equivalents (A + B + C)	**1,228.41**	**(9,773.74)**
	Cash and cash equivalents at the beginning of the year	982.64	10,756.38
	Cash and cash equivalents at end of the period (note 13)	**2,211.05**	**982.64**

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Components of cash and cash equivalents		
Cash in hand	14.15	18.84
Foreign currency on hand	3.08	2.94
Balances with banks:		
- on current accounts	1,255.08	832.17
- Term Deposits with less than 3 months of original maturity	938.74	128.69
Total cash & cash equivalents (note 13)	**2,211.05**	**982.64**

Supplemental information

₹ in lakhs

Particulars	Notes	March 31, 2022	March 31, 2021
Non cash item : Gain/(Loss) on Current Investments on fair value through P&L		-	3.60
Summary of significant accounting policies	3		
Net Debt reconciliation to cash flows	16		

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Varsha Malkani
Company Secretary

Statement of Changes in Equity for the year ended March 31, 2022

A) Equity Share Capital

₹ in lakhs

Particulars	Nos.	₹ Lakhs
At 1 April, 2021	**6,78,91,497**	**6,789.15**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance	6,78,91,497	6,789.15
Issue of share capital	-	-
At 31 March, 2022	6,78,91,497	6,789.15

For the year ended 31 March, 2021

₹ in lakhs

Particulars	Nos.	₹ Lakhs
At 1 April, 2020	**6,78,91,497**	**6,789.15**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance	6,78,91,497	6,789.15
Issue of share capital	-	-
At 31 March, 2021	**6,78,91,497**	**6,789.15**

B) Other equity

₹ in lakhs

Particulars	Reserves and surplus		Items of other comprehensive income	Total equity
	Securities premium	Retained earnings		
At April 1, 2021	**45,713.14**	**40,263.84**	**138.53**	**86,115.51**
Profit for the year	-	4,468.48	-	4,468.48
Other comprehensive income / (losses)	-	-	26.57	26.57
At March 31, 2022	45,713.14	44,732.32	165.10	90,610.56

₹ in lakhs

Particulars	Reserves and surplus		Items of other comprehensive income	Total equity
	Securities premium	Retained earnings		
At April 1, 2020	**45,713.14**	**40,084.79**	**-**	**85,797.93**
Profit for the year	-	179.05	-	179.05
Other comprehensive income / (losses)	-	-	138.53	138.53
At March 31, 2021	**45,713.14**	**40,263.84**	**138.53**	**86,115.51**

Summary of significant accounting policies 3

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Jayesh Gandhi
Partner
Membership No : 37924

Place: Mumbai
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For and on behalf of the Board of Directors
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Rahul Katyal
Managing Director
DIN: 00253046

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Executive Director &
Chief Financial Officer
DIN: 00252944

Varsha Malkani
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

1 Corporate information

The standalone financial statements comprise financial statements of Capacit'e Infraprojects Limited (""the Company"") for the year ended March 31, 2022. The Company is a Company domiciled in India and incorporated under the provisions of Companies Act applicable in India on August 09, 2012. The Company is an ISO-9001:2015, ISO-14001:2015 and OHSAS-45001:2018 certified Company. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at 605-607, Shrikant Chambers, 6th Floor, Phase I, Adjacent to R K Studios, Sion- Trombay Road, Mumbai- 400 071.

The Company is primarily engaged in the business of Engineering, Procurement and Construction. The Company was incorporated as a Private Limited Company and became a Limited Company in March 2014 (Public limited in September 2017).

The financial statements were authorised for issue in accordance with a resolution of directors on May 27, 2022.

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the standalone financial statement.

2.2 Basis of preparation and presentation

These financial statements have been prepared in Indian Rupee ("₹") which is the functional currency of the Company. These financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below.

3 Summary of significant accounting policies

a Current versus non-current classification

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

An asset is treated as current when it is:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle,

ii. Held primarily for the purpose of trading,

iii. Expected to be realised within twelve months after the reporting period, or

iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle,

ii. It is held primarily for the purpose of trading,

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period All other liabilities are classified as non-current.

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

Operating cycle for current and non-current classification

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

b Fair value measurement of financial instruments

The Company measures financial instruments at fair value at each balance sheet date using valuation techniques. 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:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

a) In the principal market for the asset or liability, or

b) 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, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

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

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.

c Revenue Recognition

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers.

Description of performance obligation:

Contract revenue is recognized over time by measuring progress towards complete satisfaction of the performance obligation at the reporting date, measured on the basis of stage of completion which is as per survey of work done (output method). Contract costs related to work performed in projects are recognised on an accrual basis. Costs incurred in connection with the work performed are recognised as an expense.

Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when that uncertainty associated with the variable consideration is subsequently resolved.

The Company accounts for a contract modification (change in the scope or price (or both)) when that is approved by the parties to the contract. Where the outcome of a performance obligation cannot be reasonably measured, contract revenue is recognised to the extent of costs incurred in satisfying the performance obligation that is expected to be recovered.

Provision for future losses are recognised as soon as it becomes evident that the total costs expected to be incurred in a contract exceed the total expected revenue from that contract.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the company's performance and the Company has an enforceable right to payment for services transferred. Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

Contract balances:

i) Contract assets

Due from customers

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers".

ii) Trade receivables

The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Retention money are specific to project and generally receivable within 12 months of project completion.

iii) Contract liabilities

Due to customers :

For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers".

Advances from customer:

Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer".

Supply contracts-sale of goods

Revenue from supply contract is recognized when the control is transferred to the buyer.

Management consultancy and other services

Revenues from management consultancy and other services are recognized pro-rata over the period of the contract as and when services are rendered.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

d Property, plant and equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. PPE acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs are capitalised in accordance with the Company's accounting policy.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress". (Also refer to policy on leases, borrowing costs, impairment of assets and foreign currency transactions infra).

Company is capitalising Site Establishments at site. Site establishments includes temporary structures build on project site and is used in the process of construction. Site establishments items and activities includes excavation, Ground levelling, making approach road, boundary making, barricading, security gate, labour

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

colony, store rooms, professional fees for designing site establishments, monsoon protection sheds, all electrical lines at project site etc. All material and manpower cost used in building these site establishments are capitalised at that project site.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

e Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

f Depreciation and amortisation

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

Intangible assets in the form of computer software are amortised over their respective individual estimated useful lives on a straight line basis.

The Company has assessed the following useful life to depreciate and amortize on its property, plant and equipment and intangible assets respectively. The useful life of major assets are as under:

Particulars	Useful Lives of the Assets estimated by the management (years)
Plant and Machinery *	20
Furniture and fixtures *	10
Office Equipment	10
Formwork *	7 to 15
Building	60
Vehicles	10
Computer	5
Computer Software	5

* Company has used useful life other than as indicated in Schedule II which is as per management estimate, supported by independent assessment by professionals. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The amortization period and the amortization method are reviewed at least at each financial year end.

g Investment property and depreciation

i) Recognition and measurement:

Investment properties comprises of land and building are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred. Though the Company measures investment property using cost based measurement

ii) Depreciation

Depreciation on Investment Property is provided using the straight-line basis method based on the useful lives specified in Schedule II to the Companies Act, 2013.The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

h Impairment of non-financial assets

As at the end of each accounting year, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. The intangible assets with indefinite life are tested for impairment each year. Useful life of the all the assets are mentioned in note 3(f) -Depreciation and amortisation .

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the Company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

i Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement of financial assets:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification financial assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

Following are the categories of financial instrument:

a) Financial assets at amortised cost

b) Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

d) Financial assets at fair value through profit or loss (FVTPL)

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets 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.

b) Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

Debt financial assets measured at FVOCI:

Debt instruments are subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments) :

On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

d) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets such as unquoted Mutual funds are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Company has transferred its rights to receive cash flows from the asset, and

i. the Company has transferred substantially all the risks and rewards of the asset, or

ii. 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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured at FVTOCI.

c) Financial guarantee contracts which are not measured as at FVTPL.

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

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss . This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. In the balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

Offsetting: Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation 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 amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition

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 de-recognition 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 and loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

j Inventories

Inventories are valued at the lower of cost and net realisable value.

a. Construction material, raw materials, components, stores and spares are valued at lower of cost and net realizable value. However material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost are determined on weighted average method.

b. Ply and Batten (included in cost of material consumed).

Ply and batten are part of material and supplies used in the construction process and are hence part of inventory which are valued at cost less amortisation/charge based on their usages.

k Foreign currencies

The Company's financial statements are presented in ₹, which is also the Company's functional currency.

In preparing the financial statements, transactions in the currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

l Employee benefit expenses

Defined Benefit Plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of OCI.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the standalone balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Past service costs are recognised in profit or loss on the earlier of:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Termination Benefits

The Company recognizes termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Compensated Absences

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated advances are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/ losses on defined benefit plans are immediately taken to the Statement of Profit & Loss and are not deferred.

m Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the standalone statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of taxable temporary differences associated with investments in subsidiary and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

All other acquired tax benefits realised are recognised in profit or loss.

n Cash and cash equivalent

Cash and cash equivalent 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. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

o Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

p Trade payables:

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 180 days of recognition other than usance letter of credit. Trade payables are presented as current financial liabilities.

The Company enters into deferred payment arrangements (acceptances) for purchase of raw materials under Letter of Credit (LCs) under non-fund based working capital facility approved by Banks for the Company. Considering these arrangements are majorly for raw materials with a maturity ranging from 90 to 180 days, the economic substance of the transaction is determined to be operating in nature and these are recognised as Acceptances under Trade payables. Interest borne by the company on such arrangements is accounted as finance cost.

q Leases

Where the Company is lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised,

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of Building which is 3 to 5 years.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note (h) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in Interest-bearing loans and borrowings (see note (n)).

iii) Short-term leases and leases of low-value assets The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

r Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed

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FOR THE YEAR ENDED MARCH 31, 2022

by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements. Provisions and contingent liability are reviewed at each balance sheet.

s Related party transactions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement. Impairment assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

t Commitments

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

(i) estimated amount of contracts remaining to be executed on capital account and not provided for;

(ii) uncalled liability on shares and other investments partly paid;

(iii) funding related commitment to subsidiary, associate and joint venture companies; and

(iv) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management. Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

u Dividend

(i) Proposed Dividend:

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

(ii) Final dividend:

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The Company declares and pays dividend in Indian rupees. The Finance Act 2020 has repealed the Dividend Distribution Tax (DDT). Companies are now required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

v Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity share holders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shares holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

4 Property plant and equipment

₹ in lakhs

Particulars	Plant and Machinery	Furniture & Fixtures	Office Equipment	Site Establishment	Computers	Formwork	Vehicles	Building	Total
Cost or Valuation									
At March 31, 2020	**13,086.93**	**956.33**	**108.62**	**35,071.65**	**478.52**	**39,306.39**	**465.40**	**627.58**	**90,101.42**
Additions	260.08	170.17	-	6,282.75	104.77	3,005.99	-	-	9,823.76
Disposals	(82.42)	-	-	(4,273.86)	(23.24)	-	-	-	(4,379.52)
At March 31, 2021	**13,264.59**	**1,126.50**	**108.62**	**37,080.54**	**560.05**	**42,312.38**	**465.40**	**627.58**	**95,545.66**
Additions	141.51	25.50	-	4,956.87	61.57	7,059.44	21.45	746.21	13,012.55
Disposals	(86.98)	-	-	-	-	-	-	(535.00)	(621.98)
At March 31, 2022	**13,319.12**	**1,152.00**	**108.62**	**42,037.41**	**621.62**	**49,371.82**	**486.85**	**838.79**	**1,07,936.23**
Depreciation									
At March 31, 2020	**2,152.27**	**215.86**	**57.74**	**15,666.30**	**252.37**	**7,801.84**	**86.98**	**25.81**	**26,259.17**
Depreciation charge for the year	649.25	82.63	10.31	4,253.77	77.83	3,372.94	45.95	22.96	8,515.64
Disposals	(17.75)	-	-	(4,273.86)	(23.24)	-	-	-	(4,314.85)
At March 31, 2021	**2,783.77**	**298.49**	**68.05**	**15,646.21**	**306.96**	**11,174.78**	**132.93**	**48.77**	**30,459.96**
Depreciation charge for the year	651.94	70.25	9.46	5,001.13	86.24	3,755.31	46.97	6.77	9,628.07
Disposals	(20.41)	-	-	-	-	-	-	(53.66)	(74.07)
At March 31, 2022	**3,415.30**	**368.74**	**77.51**	**20,647.34**	**393.20**	**14,930.09**	**179.90**	**1.88**	**40,013.96**
Net Book Value									
At March 31, 2022	**9,903.82**	**783.26**	**31.11**	**21,390.07**	**228.42**	**34,441.73**	**306.95**	**836.91**	**67,922.27**
At March 31, 2021	**10,480.82**	**828.01**	**40.57**	**21,434.33**	**253.09**	**31,137.60**	**332.47**	**578.81**	**65,085.70**

Net Book Value

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Capital Work-in-Progress	1,366.08	587.83

Note 1:

Charge on the Assets:

Please refer note 16 for the details of charge created on assets.

Note 2:

No borrowing costs are capitalised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

4 Property plant and equipment (Contd..)

Capital work in progress (CWIP) ageing schedule

At 31 March 22

₹ in lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Project in progress	1,273.05	-	-	34.94	1,307.99
Projects temporarily suspended				58.09	58.09
Total	1,273.05	-	-	93.03	1,366.08

At 31 March 21

₹ in lakhs

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Project in progress	338.93		190.81		529.74
Projects temporarily suspended	-		58.09		58.09
Total	**338.93**	**-**	**248.90**	**-**	**587.83**

Details of Projects temporarily suspended

₹ in lakhs

CWIP	Amount in CWIP to be completed in				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Ajinkya Hughes Projects	58.09		-		58.09
	58.09	**-**	**-**	**-**	**58.09**

4A Investment property

Particulars	₹ in lakhs
Cost or Valuation	
At March 31, 2020	**812.44**
Additions	-
Disposals	-
At March 31, 2021	**812.44**
Additions	-
Disposals	-
At March 31, 2022	812.44
Depreciation	
At March 31, 2020	**48.84**
Additions	12.94
Disposals	
At March 31, 2021	**61.78**
Additions	12.94
Disposals	
At March 31, 2022	74.72
Net Book Value	
At March 31, 2022	737.72
At March 31, 2021	**750.67**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

4A Investment property (contd..)

Information regarding income and expenditure of Investment properties

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Rental income derived from investment properties	23.68	23.20
Direct operating expenses (including repairs and maintenance)	-	-
Profit arising from investment properties before depreciation and indirect expenses	23.68	23.20
Less :- Depreciation	12.94	12.94
Profit arising from investment properties before indirect expenses	10.74	10.26

Fair Valuation of Investment properties

₹ in lakhs

Investment properties	Fair Value
Retails properties	737.72

5 Intangible Assets

₹ in lakhs

Particulars	Computer Software	Total
At March 31, 2020	**413.64**	**413.64**
Additions	4.79	4.79
Disposals	-	-
At March 31, 2021	**418.43**	**418.43**
Additions	15.81	15.81
Disposals	-	-
At March 31, 2022	434.24	434.24
Depreciation		
At March 31, 2020	**267.91**	**267.91**
Depreciation charge for the year	48.71	48.71
Disposals	-	-
At March 31, 2021	**316.62**	**316.62**
Depreciation charge for the year	39.82	39.82
Disposals	-	-
At March 31, 2022	356.44	356.44
Net Book Value		
At March 31, 2022	77.80	77.80
At March 31, 2021	**101.81**	**101.81**

Intangible assets under development

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Opening balance	11.74	-
Additions during the year	31.50	11.74
Capitalised during the year	4.62	-
Closing balance	38.62	11.74

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

5 Intangible Assets (contd..)

Intangible assets under development ageing schedule

At 31 March 22

₹ in lakhs

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Project in progress	31.50	7.12	-	-	38.62
Total	31.50	7.12	-	-	38.62

At 31 March 22

₹ in lakhs

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Project in progress	11.74	-	-	-	11.74
Total	11.74	-	-	-	11.74

5A Lease

Company as a Lessee

Company has lease contracts for various items of machinery , office and other equipment used in its operations having lease terms between 3 months to 11 months. The Company also has certain leases of office premises, staff accommodation, Labour colony and Godowns used in its operations having lease terms between 11 months to 72 months. The lease terms are fixed in nature. For leases having lease terms of 12 months or less and leases of office equipment with low value, Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions.

Set out below is the carrying amounts of right-of-use assets recognised and the movements during the period:

₹ in lakhs

Right to use Asset	Total
At March 31, 2020	**1,645.91**
Additions during the year	172.00
Disposals	704.60
At March 31, 2021	**1,113.31**
Additions during the year	328.67
Disposals	-
At March 31, 2022	1,441.98
Depreciation	
At March 31, 2020	**490.11**
Additions during the year	451.80
Disposals	332.81
At March 31, 2021	**609.10**
Additions during the year	200.48
Disposals	-
At Mar 31, 2022	809.58
Net Book Value	
At March 31, 2022	632.40
At March 31, 2021	**504.21**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

6 Financial Assets: Investments

Non Current Investments

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
I. Investment in equity shares carried at cost, fully paid up (unquoted)		
a) **In Subsidiary Company in India**		
-CIPL PPSL Yongnam Joint Ventures Constructions Private Limited [95,000 (March 31, 2021: 95,000) shares of ₹ 10 each]	9.50	9.50
	9.50	**9.50**
b) **In Associates in India**		
- TCC Constructions Pvt Ltd	37.10	37.10
- TPL - CIL Construction LLP	35.00	35.00
- Captech Technologies Private Limited [1,24,000 (March 31, 2021: 1,24,000) shares of ₹ 10 each]	-	60.40
	72.10	**132.50**
c) **In Perpetual Securities**		
-CIPL PPSL Yongnam Joint Ventures Constructions Private Limited*	468.51	483.67
Less:- Impairment on fair value of investment	(90.67)	(90.67)
	377.84	**393.00**
d) **In others**		
- Janakalyan Sahakari Bank [85,000 (March 31, 2021: 85,000) shares of ₹ 10 each]	8.50	8.50
	8.50	**8.50**
Total	467.94	**543.50**
Details:		
Aggregate value of unquoted investments	467.94	543.50

*In the financial year 2018-19, the Company had converted the outstanding balance of loan given to CIPL PPSL Yongnam Joint Ventures Constructions Private Limited, its subsidiary company into unsecured subordinated perpetual securities. There has been a net reduction in same securities amounting to ₹ 15.16 Lakhs (March 31, 2021 : ₹ 628.66 Lakhs) (also refer Note- 40 on Related party) . These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. The interest can be deferred if the issuer does not pay any dividend on its ordinary shares for the financial year. The issuer has classified this instrument as equity under Ind AS -32 Financial Instruments Presentation. Accordingly, the Company has classified this investment as Equity Instrument and has accounted at cost as per Ind AS -27 Separate Financial Statements.

Current investments

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
I. Investment in mutual funds carried at fair value through profit and loss, fully paid up (Unquoted) (under lien)		
- Union Capital Protection Oriented Fund [NIL units (March 31, 2021:2,50,000 units]	-	32.44
	-	**32.44**
II. Investment in equity shares carried at cost, fully paid up (unquoted)		
In Associates in India		
- Captech Technologies Private Limited [1,24,000 (March 31, 2021: 1,24,000) shares of ₹ 10 each]	60.40	-
	60.40	**-**
Total	60.40	**32.44**
Details:		
Aggregate value of unquoted investments	60.40	32.44
Market value of unquoted investments	60.40	32.44

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

7 Loans

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Loans Receivable- Considered good - Secured	1,000.00	1,000.00
Loans Receivable- Considered good - Unsecured	300.00	300.00
Total	**1,300.00**	**1,300.00**

Term & conditions:

Loans: ₹ 300 lakhs loan is given to Tridhaatu Asset Holdings LLP at an interest rate of 15% p.a. which is falling due on June 11, 2022. ₹ 1,000 lakhs loan is given to Epitome Residency Pvt. Ltd. at an interest rate of 15% p.a. which is falling due on June 12, 2022.

8 Other financial assets

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deposits with banks (under lien)	1,584.55	338.28
Margin money deposits with banks	-	9,493.08
Interest accrued but not due on deposits with banks	364.19	327.71
Security deposits - others	363.54	382.46
Unbilled revenue	-	200.00
Total	**2,312.28**	**10,741.53**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Interest accrued but not due on deposits with banks	319.57	277.47
Contract assets (Refer Note 36)		
Unbilled revenue	45,753.59	45,775.39
Submitted bills due for certification	12,545.50	8,135.83
Security deposits - others	1,138.45	1,123.93
Security deposits - unsecured	524.51	444.51
Other receivables	4,032.26	553.19
Total	**64,313.88**	**56,310.32**

Term & conditions:

Security deposits - unsecured are Earnest Money Deposits (EMDs) given while submitting tender for prospective business. EMDs are refundable after the award of tender .

Security deposits - others are given for lease agreements , utilities services & other services ranging from 11 months to 72 months. These security deposits are refundable at the end the lease period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

9 Other assets

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Other Non-Current assets		
i. Capital advances	6,704.94	8,753.76
ii. Advances other than Capital Advances		
Balances with Government Authorities	2,052.91	1,997.43
Prepaid expenses	523.62	1,064.93
Advances to others	111.48	149.95
Total	**9,392.95**	**11,966.07**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Other Current Assets		
i. Advances other than Capital Advances		
Advances to employees	151.22	114.76
Advances to related parties	73.96	110.48
Advances to others	9,151.12	9,296.18
ii. Others		
Balances with government authorities	788.77	846.71
Prepaid expenses	1,157.56	1,704.17
Total	**11,322.63**	**12,072.30**

10 Non current tax assets (net)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Advance tax	3,183.34	2,208.76
[net of provision for taxation ₹ 10,222.06 Lakhs (March 31, 2021 ₹ 10,954.67 Lakhs)]		
Total	**3,183.34**	**2,208.76**

11 Inventories

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials (at lower of cost and net realisable value)	11,153.96	10,044.86
Total	**11,153.96**	**10,044.86**

12 Trade receivables

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Trade receivables (retention)- unsecured	7,086.24	8,147.74
Total	**7,086.24**	**8,147.74**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

12 Trade receivables (Contd..)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Trade receivables including retention balance	46,065.70	33,092.87
[including retention of ₹ 9,538.96 lakhs (March 31, 2021 ₹ 6,169.58 lakhs)]		
Receivable from related party- (Refer note (a) below)	544.15	354.62
	46,609.85	33,447.49
Less: Impairment allowances (allowance for bad and doubtful debts)	(7,246.90)	(4,975.07)
Total	**39,362.95**	**28,472.42**

Break-up of Receivables:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Secured - Considered good (Refer note 3 below)	1,038.60	-
Unsecured - Considered good	47,833.89	37,493.01
- Trade Receivables which have significant increase in credit risk	4,823.60	4,102.22
- Credit Impaired	-	-
	53,696.09	**41,595.23**
Impairment allowances (allowed for bad and doubtful debts)		
Unsecured - Considered good	3,136.75	3,053.58
Trade Receivables which have significant increase in credit risk	4,110.15	1,921.49
Total	**46,449.19**	**36,620.16**

Notes:

1) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

2) Receivable from related party (refer note 40)

3) Subsequent to the balance sheet date, the promoter group has entered into an agreement with Company by which any shortfall in the realisation within 9 months from the date of agreement against the outstanding carrying value from certain parties shall be indemnified to the Company. The said carrying value includes trade receivable of ₹ 1,038.60 lakhs and contract asset of ₹ 2,242.40 lakhs as on balance sheet date. Considering the same, trade receivable and contract asset of the said parties as on the balance sheet date has been considered secured and good.

4) Trade receivables are non-interest bearing and are generally on terms of 45 to 90 days.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

12 Trade receivables (Contd..)

Trade receivable ageing schedule

At 31 March 22

₹ in lakhs

Particulars	Outstanding for the following period from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	
Undisputed trade receivable -- considered good	29,161.68	4,742.63	3,326.83	6,596.65	4,463.99	48,291.78
Undisputed trade receivable -- significant increase in credit risk	-	-	60.44	584.90	4,178.26	4,823.60
Undisputed trade receivable -- credit impaired	-	-	-	-	-	-
Disputed trade receivable -- considered good	-	261.30	319.41	-	-	580.71
Disputed trade receivable -- significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable -- credit impaired	-	-	-	-	-	-
Total	29,161.68	5,003.93	3,706.68	7,181.55	8,642.25	53,696.09

At 31 March 21

₹ in lakhs

Particulars	Outstanding for the following period from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	
Undisputed trade receivable -- considered good	18,257.15	2,856.63	8,220.13	4,140.01	4,019.09	37,493.01
Undisputed trade receivable -- significant increase in credit risk	-	-	1,062.72	2,761.44	278.06	4,102.22
Undisputed trade receivable -- credit impaired	-	-	-	-	-	-
Disputed trade receivable -- considered good	-	-	-	-	-	-
Disputed trade receivable -- significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable -- credit impaired	-	-	-	-	-	-
Total	18,257.15	2,856.63	9,282.85	6,901.45	4,297.15	41,595.23

Unbilled revenue and submitted bills due for certification of ₹ 58,299.09 lakhs as on March 31,2022 (March 31, 2021: ₹ 54,111.22 lakhs) has been shown as contract assets in Note 8 -"Other financial assets".

Note (a) : Receivable from related party

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
TPL- CIL Construction LLP	289.01	69.27
Capacite Viraj AOP	234.01	244.16
Captech Technologies Private Limited	8.63	28.69
Capacite Engineering Private Ltd	12.50	12.50
Total	544.15	354.62

Expected credit loss allowances on receivables

Impairment of financial assets: The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

12 Trade receivables (Contd..)

Movement in expected credit loss allowance

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	4,975.07	2,845.97
Allowance during the year	2,271.83	2,129.10
Total	7,246.90	4,975.07

13 Cash and cash equivalents

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
-On current accounts	1,255.08	832.17
-Deposits with original maturity of less than three months	938.74	128.69
Cash on hand	14.15	18.84
Foreign currency on hand	3.08	2.94
Total	2,211.05	982.64

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

14 Bank balances other than cash and cash equivalents

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits kept as margin money- Less than 3 months	7,019.38	3,907.70
Deposits having maturity more than three months but less than 12 months	9,157.44	10,730.90
Total	16,176.82	14,638.60

15A Equity share capital

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
(a) Authorised capital		
8,00,00,000 (March 31,2021: 8,00,00,000) Equity shares of ₹ 10/- each	8,000.00	8,000.00
Total	8,000.00	8,000.00
(b) Issued, subscribed and paid up		
6,78,91,497 Equity shares of ₹ 10/- each fully paid (March 31,2021: 6,78,91,497)	6,789.15	6,789.15
Total issued, subscribed and fully paid-up share capital	6,789.15	6,789.15

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

15A Equity share capital (Contd..)

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

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Equity shares allotted as fully paid-up pursuant to conversion of CCPS in ratio 7:1	-	-	-	-	1,15,96,816

(d) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

₹ in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	₹ Lakhs	Nos.	₹ Lakhs
At the beginning of the year	6,78,91,497	6,789.15	6,78,91,497	6,789.15
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	**6,78,91,497**	**6,789.15**	**6,78,91,497**	**6,789.15**

(e) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. However, no dividend is declared in current year.

In the event of liquidation of the Company, the holders of shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts.

The distribution will be in proportion to the number of shares held by the shareholder ₹.

(f) Details of Shareholders holding more than 5% Equity Shares

₹ in lakhs

Name of shareholders	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Rohit Ramnath Katyal	50,00,000	7.36%	63,04,144	9.29%
Rahul Ramnath Katyal	73,80,953	10.87%	83,80,953	12.34%
Katyal Merchandise Private Limited	90,72,994	13.36%	90,72,994	13.36%
New Quest Asia Investments II Limited	66,17,254	9.75%	66,17,254	9.75%
Paragon Partners Growth Fund	60,36,303	8.89%	60,36,303	8.89%
ICICI Prudential Multicap Fund	12,42,371	1.83%	42,05,451	6.19%

As per the records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

15A Equity share capital (Contd..)

(g) Disclosure of Shareholding of Promoters

₹ in lakhs

Name of shareholders	As at March 31, 2022		As at March 31, 2021		% change during the year
	Number of shares held	% of Holding	Number of shares held	% of Holding	
Promoters					
Rohit Ramnath Katyal	50,00,000	7.36%	63,04,144	9.29%	-1.93%
Rahul Ramnath Katyal	73,80,953	10.87%	83,80,953	12.34%	-1.47%
Subir Malhotra	25,25,439	3.72%	25,25,439	3.72%	-
Promoter group					
Katyal Merchandise Private Limited	90,72,994	13.36%	90,72,994	13.36%	-
Sakshi Rohit Katyal	22,56,093	3.32%	22,56,093	3.32%	-
Nidhi Rahul Katyal	70	-	70	-	-
Rahul Ramnath Katyal (Acting As A Partner Of M/S Asutosh Trade Links)	-	-	11,89,153	1.75%	-1.75%
Total	**2,62,35,549**	**38.64%**	**2,97,28,846**	**43.79%**	**-5.15%**

15B Other equity

₹ in lakhs

	As at March 31, 2022	As at March 31, 2021
(a) Securities premium		
Balance as per the last financial statements	45,713.14	45,713.14
Total	**45,713.14**	**45,713.14**

Note 1 : Securities premium is used to record the excess of the amount received over the face value of the shares. The issue expenses of securities which qualify as equity instruments are written off against Securities premium. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.

₹ in lakhs

	As at March 31, 2022	As at March 31, 2021
(b) Retained earnings		
Balance as per last financial statement	40,402.35	40,084.79
Add: Profit for the year	4,468.48	179.05
Add: Other comprehensive income for the year	26.57	138.53
Total	**44,897.40**	**40,402.37**
Grand Total	**90,610.54**	**86,115.51**

Note: The portion of profits not distributed among the shareholders but retained and used in business are termed as retained earnings. It is also referred to as ploughing back of profit. The Company should ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. These earnings may be utilized for internal financing of its various projects and for fixed as well as working capital. Thus the retained earnings shall be utilized for carrying out the main objectives of the company and maintaining adequate liquidity levels.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

15B Other equity (Contd..)

Notes to reserves

i) Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium

ii) Retained earnings

Retained earnings are the profits that the Company has earned till date

iii) Debenture redemption reserve (DRR)

Debenture redemption reserve (DRR) The Companies Act requires that where a company issues debentures, it shall create a debenture redemption reserve out of profits of the Company available for payment of dividend. The company is required to maintain a Debenture Redemption Reserve of 15% of the value of debentures issued, either by a public issue or on a private placement basis. The amounts credited to the debenture redemption reserve may not be utilised by the Company except to redeem debentures. No DRR is required for debentures issued after August 16, 2019

16 Borrowings

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-Current borrowings		
Debentures		
12.5% Redeemable Non-Convertible Debentures (NCDs) (Secured)	7,551.01	-
	7,551.01	-
Term loans		
From banks (secured)	5,007.15	7,208.08
From financial institutions (secured)	1,178.44	1,025.71
Total	6,185.59	**8,233.79**

₹ in lakhs

Particulars	As at March 31, 2022	
	Gross amount	Carrying value
Secured Redeemable Non-Convertible Debentures (NCDs)		
12.5% Redeemable Non-Convertible Debentures	8,000.00	7,551.01

NCD carries Coupon Rate of 12.50% p.a. The principal amount is payable after moratorium of 15 months in seven quarterly instalments. The debentures are redeemable at a premium equivalent of IRR of 15.22% to 16.06% to investors. These debentures are secured by hypothecation of equipment's and properties against which these loans are taken along with Personal Guarantee by Mr Rohit Katyal , Mr Rahul Katyal and Mrs Shakshi Katyal

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

16 Borrowings (Contd..)

₹ in lakhs

	As at March 31, 2022	As at March 31, 2021
(b) Current borrowings		
Working capital loan (secured)		
From bank	9,570.39	13,723.53
Bills discounted with bank (secured)	-	2,259.82
Current maturity of long term loans (secured)		
From banks	3,522.73	3,518.49
From financial institutions	878.13	729.19
From related parties		
Intercorporate deposits from related party (unsecured)	85.72	85.72
Loans from directors (unsecured)	5,016.04	58.04
Total	19,073.01	**20,374.79**
Less: Amount clubbed under "other current liabilities"	-	-
Net current borrowings	19,073.01	**20,374.79**
Aggregate secured borrowings	27,707.85	28,464.83
Aggregate unsecured borrowings	5,101.76	143.76

Terms and conditions of the borrowings

a) Term loan from bank carries interest ranging between 7.40% to 14.70% p.a. These loans are repayable in 36 to 84 months with structured monthly instalments ranging between ₹ 0.15 Lakhs to ₹ 22.17 Lakhs each along with interest, from the date of loan. These loans are secured by hypothecation of respective equipment's/vehicles against which these loans are taken with additional mortgage/charge aggregating to an amount of ₹ 12,858.20 Lakhs (March 31, 2021 ₹ 18,078.00 Lakhs), on the plant and machinery and formwork placed at various sites and used for the purpose of construction. Further, these loans has been guaranteed by the personal guarantee of the directors of the Company.

b) Term loan from financial institutions carries interest ranging between 8.00% to 12.50% p.a. These loans are repayable in 24 to 180 months with structured monthly instalments ranging between ₹ 0.28 Lakhs to ₹ 11.85 Lakhs each along with interest, from the date of loan. These loans are secured by hypothecation of respective equipment's against which these loans are taken with additional mortgage/charge aggregating to an amount of ₹ 4,183.29 Lakhs (March 31, 2021 ₹ 3,801 Lakhs), on the plant and machinery placed at various sites and used for the purpose of construction. Further, these loans has been guaranteed by the personal guarantee of the directors of the Company.

c) Working capital loan from banks is secured against hypothecation of fixed assets, inventory, trade receivables, and other current assets on pari passu basis with other member banks in the consortium. The Working capital loan is repayable on demand and carries interest range between 6 Month to 1 year MCLR + 1.5% to 3.50% presently, in range of 9.50% to 11.70% p.a.

d) Unsecured Loan from related parties carry interest rate of 8.15% p.a. to 12% p.a.

e) Statements/returns submitted to the banks vis-a-vis balances as per books of accounts as on the date of closing for limited review/ statutory audit

The overall difference between the statements/returns submitted to the banks is ₹ 533.26 Lakhs (derived after deducting the trade payables from the total of inventory, WIP (unbilled revenue) and trade receivable) is lower than the books of account. Therefore the drawing power computed by the banks is lower. The difference is mainly on account of timing difference of the preparation and submission of statements/returns with the bank and the accounting in the books of account at the end of the quarter/year. The value excludes the amount pertaining to projects which are specifically charged to project financer.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

16 Borrowings (Contd..)

Net debt reconciliation with cash flow statements

₹ in lakhs

Particulars	Liabilities from Financing Activities		
	Non Current borrowings (included interest accrued)	Current borrowings	Total
At March 31, 2020	**12,446.70**	**18,363.30**	**30,810.00**
Cash flow (As per statement of cash flow) (net)	43.47	(2,236.19)	(2,192.72)
Interest expense	6,777.38	-	6,777.38
Interest paid	(6,731.16)	-	(6,731.16)
At March 31,2021	**12,536.39**	**16,127.11**	**28,663.50**
Cash flow (As per statement of cash flow) (net)	5655.99	(1,607.65)	4,048.34
Interest expense	6,696.41	-	6,696.41
Interest paid	(6,229.88)	-	(6,229.88)
At March 31,2022	18,658.91	14,519.46	33,178.37

16A Lease Liability

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current lease liability	443.21	294.50
(b) Current lease liability	244.03	220.96
Total	687.24	**515.46**

The effective interest rate for lease liability is 11% with maturity between 2022-2027

(c) Reconciliation between total future minimum lease payments and their present value:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Total future minimum lease payments	844.28	645.23
Less: Future liability on interest account	156.60	129.77
Present value of future minimum lease payments	687.68	515.46

(d) Year wise future minimum lease rental payments:

₹ in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Minimum Lease payments	Present value of lease payments	Total Minimum Lease payments	Present value of lease payments
(i) Not later than one year	320.12	244.47	196.53	139.83
(ii) Later than one year but not later than five years	524.16	443.21	448.70	375.63
Total	844.28	687.68	**645.23**	**515.46**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

16A Lease Liability (Contd..)

(e) Lease liability movement

₹ in lakhs

Particulars	During the year ended March 31, 2022	During the year ended March 31, 2021
Opening balance	515.46	1,183.49
Less: Lease liability derecognised during the year	-	422.10
Add: Contract assets during the year	328.66	167.95
Add: Finance cost charged during the year	90.50	134.46
Less: Lease payments during the year	246.94	548.34
Closing balance	687.68	**515.46**

17 Trade payables

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (Refer note 35)	2,042.31	953.02
	2,042.31	**953.02**
Total outstanding dues of creditors other than micro enterprises and small enterprises.		
Acceptances (refer note (a) below)	12,932.31	9,766.27
Trade payables (refer note (b) below)	37,758.59	30,637.81
Trade payables to related parties	80.83	853.58
Sub Total	50,771.73	**41,257.66**
Total	52,814.04	**42,210.68**

Notes:

(a) Acceptances represent amounts payable to banks on due date as per usance period of Letter of Credit (LCs) issued to raw material vendors under non-fund based working capital facility approved by banks for the Company. The arrangements are interest-bearing with a maturity ranging from 90 to 180 days.

(b) Others includes amount payable to vendors and accrual of expenses that are expected to be settled in the Company's normal operating cycle or due to be settled within 30 to 180 days from the reporting date.

(c) For explanations on the Company's liquidity risk management processes Refer note 44 (c).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

17 Trade payables (Contd..)

Trade payable ageing schedule

At March 31, 2022

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Total outstanding due to MSME	1,928.46	47.90	44.64	21.31	2,042.31
Total outstanding due to creditors other than MSME	46,665.72	1,680.24	1,678.64	747.13	50,771.73
Disputed dues MSME	-	-	-	-	-
Disputed dues others than MSME	-	-	-	-	-
Total	48,594.18	1,728.14	1,723.28	768.44	52,814.04

At March 31, 2021

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Total outstanding due to MSME	837.52	87.63	21.20	6.67	953.02
Total outstanding due to creditors other than MSME	36,492.94	3,688.40	924.00	152.32	41,257.66
Disputed dues MSME	-	-	-	-	-
Disputed dues others than MSME	-	-	-	-	-
Total	**37,330.46**	**3,776.03**	**945.20**	**158.99**	**42,210.68**

18 Other financial liabilities

₹ in lakhs

	As at March 31, 2022	As at March 31, 2021
Non-current		
Other financial liabilities at amortized cost		
Retention money payable to others	3,382.94	2,756.00
Retention money payable to related parties	206.47	64.92
Total	3,589.41	**2,820.92**

₹ in lakhs

	As at March 31, 2022	As at March 31, 2021
Current		
Other financial liabilities at amortized cost		
Interest accrued but not due on borrowings	51.62	51.62
Interest accrued on loans from directors	296.73	1.38
Interest accrued but not due on ICD taken	17.67	3.34
Interest accrued but not due on Non-Convertible Debentures	2.74	-
Creditors for capital goods/services	2,793.20	1,844.70
Employee dues	1,421.38	1,098.88
Total	4,583.34	**2,999.92**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

18 Other financial liabilities (Contd..)

Terms and conditions:

-Creditors for capital goods are non-interest bearing and are normally settled on 90 to 180 day terms.

-Retention money are payable after the defect liability periods is over as per the terms of the contract.

-Long term loans maturity and interest accrued but not due are as per the terms with bank's loan sanction letter. (Refer note 16)

-Interest accrued but not due on ICDs are payable within 1 to 3 months as per the terms of loan.

-Employee dues are payable within 30 days.

19 Provisions

₹ in lakhs

	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for employee benefits		
Gratuity	316.34	214.82
Total	316.34	**214.82**

₹ in lakhs

	As at March 31, 2022	As at March 31, 2021
Current		
Provision for employee benefits		
Gratuity	137.64	107.72
Leave encashment	75.98	75.53
Other provisions	31.28	36.01
Total	244.90	**219.26**

Movement in provisions

₹ in lakhs

Provisions	Workman Compensation	Employee Term Insurance Payable	Total
At April 01, 2021	8.35	27.66	36.01
Addition:	31.28	-	31.28
Utilised :	8.35	27.66	36.01
At March 31, 2022	31.28	-	31.28

At March 31, 2021

₹ in lakhs

Provisions	Service Tax Payable	Workman Compensation	Employee Term Insurance Payable	Total
At April 01, 2020	1,158.57	8.35	12.42	1,179.34
Addition:			15.24	15.24
Utilised :	1,158.57			1,158.57
At March 31, 2021	**-**	**8.35**	**27.66**	**36.01**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

20 Current tax liabilities (net)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for tax	1,258.49	1,251.53
[net of advance tax ₹ 2,306.71 Lakhs (March 31, 2021 ₹ 2,305.83 Lakhs)]		
Total	1,258.49	1,251.53

21 Deferred tax liabilities (net)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities (net)	3,509.00	3,469.92
Total	3,509.00	3,469.92

₹ in lakhs

Particulars	As at March 31, 2021	Recognised in Profit or Loss	As at March 31, 2022
Deferred tax assets in relation to:			
Provisions	1,388.50	840.64	2,229.14
Retention	1,085.31	45.02	1,130.33
	2,473.81	885.66	3,359.47
Deferred tax liabilities in relation to:			
Property, plant and equipment	4,173.51	646.79	4,820.30
Retention money	1,500.78		1,500.78
Impact on adoption of Ind AS 115	203.17		203.17
Bad Debt	-	226.80	226.80
Others	66.27	51.15	117.42
Total	5,943.73	924.74	6,868.47
Net deferred tax liabilities	3,469.92	39.08	3,509.00

₹ in lakhs

Particulars	As at March 31, 2020	Recognised in Profit or Loss	As at March 31, 2021
Deferred tax assets in relation to:			
Provisions	853.06	535.44	1,388.50
Others	-	1,085.31	1,085.31
	853.06	1,620.75	2,473.81
Deferred tax liabilities in relation to:			
Property, plant and equipment	3,114.32	1,059.19	4,173.51
Retention money	1,384.82	115.96	1,500.78
Impact on adoption of Ind AS 115	203.17	-	203.17
Others	19.68	46.59	66.27
Total	4,721.99	1,221.74	5,943.73
Net deferred tax liabilities	3,868.93	(399.01)	3,469.92

* Includes effect of transfer from provision for taxes to deferred tax liability.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

22 Other liabilities

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Contract liabilities		
Advance from customers (refer note 36)	18,961.87	25,985.84
Deferred income	-	-
Total	18,961.87	**25,985.84**

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Contract liabilities		
Advance from customers (refer note 36)	20,803.14	22,828.06
Statutory dues	2,142.26	473.48
Total	22,945.40	**23,301.54**

23 Revenue from operations

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Contract revenue	1,32,168.39	87,429.96
Other operating income		
- Scrap sales	1,310.35	542.23
Total	1,33,478.74	**87,972.19**

24 Other income

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
(a) Interest income		
- Interest on fixed deposits	823.94	1,500.80
- Other interest income	202.30	211.82
(b) Other non operating income		
- Equipment hire charges	4.50	49.05
- Service charge income	5.04	-
- Net gain on sale or fair valuation of mutual funds	0.19	3.60
- Miscellaneous income	271.75	1,106.65
Total	1,307.72	**2,871.92**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

24 Other income (Contd..)

₹ in lakhs

Net gains (losses) on fair value changes	March 31, 2022	March 31, 2021
Investments classified at FVTPL	0.19	3.60
Investments designated at FVTPL	-	-
Derivatives at FVTPL	-	-
Other Financial Instruments classified as FVTPL	-	-
Reclassification adjustments	-	-
Realised gain on debt investments classified as FVOCI	-	-
Total Net gains (losses) on fair value changes*	**0.19**	**3.60**

* Total Net gains (losses) on fair value changes include ₹ 0.19 Lakhs (March 21, 2021 ₹ 0.04 Lakhs) as 'Net gain or loss on sale of investments'.

25 Cost of material consumed

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Opening stock	10,044.86	10,411.81
Add: Purchase of material (refer note 32)	56,597.96	35,324.38
Less: Closing stock	(11,153.96)	(10,044.86)
Total	**55,488.86**	**35,691.33**

26 Construction expenses

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Labour/Subcontractor charges (refer note 32)	30,189.75	17,850.35
Electricity expenses (Site)	1,107.29	697.78
Equipment hire charges (refer note 32)	1,135.71	1,086.21
Formwork hire charges	1,479.68	944.65
Other construction expenses	3,668.40	3,945.00
Total	**37,580.83**	**24,523.99**

27 Employee benefit expenses

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Salaries, wages and bonus	10,256.22	7,405.93
Contributions to provident and other funds	261.12	239.04
Staff welfare expenses	371.75	235.78
Total	**10,889.09**	**7,880.75**

Note:

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Impact if any of the change will be assessed and accounted in period of notification of the relevant provisions.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

28 Finance cost

₹ in lakhs

Net gains (losses) on fair value changes	March 31, 2022	March 31, 2021
Interest on borrowings *	2,743.87	3,673.58
Other interest expenses	1,583.70	1,599.14
Bank guarantee commission	1,771.08	1,220.32
Bank charges	597.76	532.41
Total	6,696.41	7,025.45

* Includes ₹ 1.01 Lakhs as Interest on financial liabilities measured at amortised cost (March 31, 2021 NIL)

29 Depreciation and amortisation expenses

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipment	9,628.07	8,502.78
Depreciation of Investment properties	12.94	12.94
Amortization of intangible assets	39.82	48.71
Depreciation of right-of-use assets	200.48	451.80
Total	9,881.31	9,016.23

30 Other expenses

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Electricity charges	40.67	72.50
Rent	555.55	503.62
Rates and taxes	332.57	349.43
Insurance expenses	232.47	194.04
Repairs and maintenance of:		
Plant and machinery	215.53	182.44
CSR expenditure (refer note below)	170.42	249.91
Commission and brokerage	22.87	18.98
Legal and professional charges (refer note 32)	1,301.26	667.10
Payment to auditor (refer note below)	69.00	65.13
Advertising and sales promotion	63.25	43.28
Travelling expenses	328.60	155.29
Vehicle hiring charges	296.89	298.23
Communication costs	40.66	50.98
Impairment allowance for trade receivables	2,271.83	2,129.10
Bad debt	900.91	-
Donation	-	6.29
Office expenses	958.53	827.81
Printing and stationery	104.85	86.41
Miscellaneous expenses	264.42	323.76
Total	8,170.28	6,224.30

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

30 Other expenses (Contd..)

Corporate Social Responsibility expenditure

As per section 135 of the Companies Act, 2013 read with relevant rules thereon, the Company was required to spend ₹ 170.42 Lakhs (March 31, 2021 ₹ 249.91 Lakhs) on Corporate Social Responsibility (CSR) activities during FY 2021-22. Against it, the Company has adjusted an amount of ₹ 170.42 lakhs with a balance of ₹ 318.95 lakhs (March 31, 2021 ₹ 568.86 lakh) towards CSR activities. The balance excess CSR amount for FY 2021-22 of ₹ 148.53 lakhs has been carried forward to next year.

₹ in lakhs

Amount spent during the year ended March 31, 2022 on:	In Cash	(excess spent)/ yet to be paid	Total
(i) Construction of any asset	-	-	-
(ii) Purposes other than (i) above	318.95	(148.53)	170.42
Total	318.95	(148.53)	170.42

₹ in lakhs

Amount spent during the year ended March 31, 2021 on:	In Cash	(excess spent)/ yet to be paid	Total
(i) Construction of any asset	-	-	-
(ii) Purposes other than (i) above	568.86	(318.95)	249.91
Total	**568.86**	**(318.95)**	**249.91**

Payment to auditors (excluding GST)

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
As auditors:		
Statutory audit fees	38.50	36.50
Limited review of standalone and consolidated financial statement on quarterly basis	27.50	25.50
For Other services including certification works	3.00	3.00
Reimbursement of expenses	-	0.13
	69.00	**65.13**

31 Income tax

The income tax expense for the year can be reconciled to the accounting profit as follows:

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Profit before tax	6,079.68	482.06
Profit before tax considered for tax working	6,079.68	**482.06**
Income tax expense calculated at 25.168%	1,530.13	121.31
Add/(Less) tax effect on account of :		
Impact of new tax rate adoption		
MAT write-off	-	
Effect of Rate change due to new tax regime	-	
Other impacts		
Tax effect on permanent non deductible expenses	81.07	69.53
Adjustments of tax of earlier years		112.17
Income tax expense recognised in statement of profit and loss	1,611.20	**303.01**
Statement of other comprehensive income:		
Current tax related to items recognised in OCI during the year:		
In respect of current year	35.51	185.12
Income tax charged to OCI	8.94	46.59

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

32 During the year, following expenses are capitalised to site establishment (also refer note 3(d) on PPE)

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Raw material consumed	4,147.53	4,696.57
Labour/Subcontractor charges	797.57	1,320.50
Equipment's hire charges	-	88.86
Legal and professional charges	-	152.05
Others	11.77	25.00
Total	**4,956.87**	**6,282.98**

33 Earnings per share

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

₹ in lakhs

Particulars	Notes	March 31, 2022	March 31, 2021
Basic earnings per share			
Profit after tax as per accounts (₹ In Lakhs)	A	4,468.48	179.05
Weighted average number of equity shares outstanding	B	6,78,91,497	6,78,91,497
Basic EPS	A/B	**6.58**	**0.26**
Diluted earnings per share			
Profit after tax as per accounts (₹ In Lakhs)	A	4,468.48	179.05
Weighted average number of equity shares outstanding for diluted EPS	B	6,78,91,497	6,78,91,497
Diluted EPS	A/B	**6.58**	**0.26**
Face Value per share (₹)		10	10

34 Segment Reporting

For management purposes, the Company is organised into business units based on its services and has single reportable segments namely "Engineering, Procurement and Construction Contracts".

The Board of directors of the Company monitors the operating results of this segment for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

35 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on the information available with the Company, the dues payable to micro, small and medium enterprises as defined in "The Micro, Small & Medium Enterprises Development Act, 2006" as at March 31, 2022 amounts to ₹ 2,042.31 Lakhs (March 31,2021: ₹ 953.02 Lakhs)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

35 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 (Contd..)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
-Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2,042.31	953.02
-Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	167.25	167.25
-Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
-Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
-Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
-Interest due and payable towards suppliers registered under MSMED Act, for payments already made	167.25	106.62
-Further interest remaining due and payable for earlier years	106.62	60.62

36 Disclosure pursuant to Ind AS 115

a) Contract balances

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Contract assets		
Unbilled revenue		
Non-current	-	200.00
Current	58,299.09	53,911.22
Total Contract assets	**58,299.09**	**54,111.22**
Contract liabilities		
Advance from customers		
Non-current	18,961.87	25,985.84
Current	20,803.14	22,828.06
Total Contract liabilities	**39,765.01**	**48,813.90**
Receivables		
Trade receivables (gross)		
Non current	7,086.24	8,147.74
Current	46,609.85	33,447.49
Less : Impairment allowance	(7,246.90)	(4,975.07)
Net receivables	**46,449.19**	**36,620.16**
Total	**64,983.27**	**41,917.48**

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

36 Disclosure pursuant to Ind AS 115 (Contd..)

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

₹ in lakhs

Particulars	As at March 31, 2022	
	Gross amount	Contract Liabilities
Opening balance (unbilled revenue)	54,111.22	48,813.91
Less : Revenue recognized during the year from balance at the beginning of the year, (net)	38,069.80	33,315.33
Add : Advance received during the year not recognized as revenue	-	24,266.43
Add : Revenue recognized during the year apart from above, (net)	42,257.67	
Closing balance	58,299.09	39,765.01

b) Transaction Price - Remaining Performance Obligation

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. The aggregate value of performance obligations (completely or partially unsatisfied) as of March 31, 2022 is ₹ 9,77,069.92 Lakhs (excluding MHADA project), out of which, majority is expected to be recognised as revenue within a period of 18-36 months. MHADA project is a Joint venture project between Capacite Infraprojects Limited & Tata Projects Limited.

37 Contingent liabilities

a) Particulars

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Corporate guarantee given on behalf of subsidiary company	-	1,095.00
Bank guarantees	9,013.09	11,900.95
Provident fund	106.29	-
GST demand	4,000.17	-
Income tax demand	3,115.04	-
Total	16,234.59	12,995.95

b) For the year 13-14 & 14-15, Company has received assessment orders under Maharashtra Value Added Tax Act,2002 (MVAT) with disallowance of input Tax Credit and Tax deducted at source amounting to ₹ 63,22,130/- and ₹ 1,15,31,314/- respectively. The Company has filed an appeal against the said orders. Pending outcome of the same, no adjustment has been made in the financial statements. The outcome of the appeal shall not result into cash outflow for the company.

c) With respect to certain matters relating to issue of shares in earlier years, the Company has made suo-moto application to Registrar of Companies (ROC) , Mumbai, for compounding of offences under Section 42, 62 read with the applicable rules thereunder of the Companies Act. The matter is still pending with the ROC, Mumbai, the impact of the same on the financial statements is not ascertainable.

d) One of the customer has encashed performance bank guarantee of ₹ 2,226.98 Lakhs during the year. This amount as been shown as "Other receivable" in Note no. 8. The company has filed a case against the customer for wrongful encashment of the guarantee. The management is confident of positive outcome of the case.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

38 Capital and other commitments

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances)		
-on Property, plant & equipment	88.77	410.70
Total	**88.77**	**410.70**

39 Disclosure pursuant to Ind AS 19 "Employee Benefits"

The Company operates one defined benefit plan viz. gratuity benefit for its employees which is funded. The gratuity benefit is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with insurance companies.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity benefit plan:

(i) Net benefit expenses (recognised in profit or loss)

₹ in lakhs

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Current service cost	111.90	113.37
Net interest cost	33.68	29.07
Net benefit expenses	**145.58**	**142.44**

(ii) Re-measurement (gain)/loss recognised in other comprehensive income

₹ in lakhs

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Actuarial loss / (gain) due to defined benefit obligation ('DBO') and assumption changes	(11.92)	(226.59)
Return on plan assets less / greater than discount rate	8.32	15.14
Actuarial losses / (gains) due recognised in OCI	**(3.60)**	**(211.45)**

(iii) The amounts recognised in the Balance Sheet are as follows:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation	589.52	534.94
Fair value of plan assets	135.53	212.40
Net Plan Liability/ (Asset)	**453.99**	**322.54**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

39 Disclosure pursuant to Ind AS 19 "Employee Benefits" (Contd..)

(iv) The changes in the present value of defined benefit obligation for Gratuity are as follows:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	534.93	564.42
Add: Service cost	111.90	113.37
Add: Interest cost	33.68	29.07
Add: Actuarial Gain on obligation arising from changes in experience adjustments	(11.92)	(38.24)
Less: Benefit paid	(79.08)	(133.69)
Closing defined benefit obligation	**589.51**	**534.93**

(v) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance of the fair value of plan assets	212.40	343.86
Add: Interest income on plan assets	10.54	17.41
Add/(Less): Actuarial gains/(losses)	(8.32)	(15.18)
Less: Benefits paid	(79.08)	(133.69)
Closing balance of the fair value of plan assets	**135.54**	**212.40**

(vi) The Major category of plan asset as a percentage of fair value of total plan assets is as follows

₹ in lakhs

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Investments with insurer managed funds	100%	100%

(vii) Principal actuarial assumptions as at Balance Sheet date:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.00%	6.00%
Expected return on assets	6.50%	6.50%
Employee attrition rate	24.00%	24.00%
Salary growth rate	5.00%	5.00%

Employee attrition rate and Salary growth rate assumptions considered excluding COVID 19 period. (Years included in calculation are 16-17,17-18,18-19)

(viii) Sensitivity Analysis

₹ in lakhs

Particulars	For the Year Ended March 31, 2022			
Assumptions	Discount rate		Future Salary Increase	
Sensitivity Analysis	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on define benefit obligation	(19.41)	20.77	20.77	(19.76)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

39 Disclosure pursuant to Ind AS 19 “Employee Benefits” (Contd..)

₹ in lakhs

Particulars	For the Year Ended March 31, 2021			
Assumptions	Discount rate		Future Salary Increase	
Sensitivity Analysis	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on define benefit obligation	-18.08	19.37	19.37	-18.41

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(ix) The expected maturity analysis of undiscounted defined benefit obligation is as follows:

₹ in lakhs

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Within 1 year	137.63	97.99
Between 1 - 2 years	52.84	47.19
Between 2 - 3 years	53.88	53.77
Between 3 - 4 years	63.49	48.28
Between 4 - 5 years	50.36	47.21
Beyond 5 years	231.30	269.98

The average duration of the defined benefit plan obligation at the end of the reporting period is 15 years (March 31, 2021 - 17 years).

The contribution expected to be made by the Company during the financial period July 2022- June 23 is ₹ 169.20 Lakhs (2020-21: ₹ 173.03 Lakhs)

Compensated absences (unfunded)

In respect of Compensated absences, accrual is made on the basis of a year-end actuarial valuation. the Company has provided for compensated absences based on the actuarial valuation done as per Project Unit Credit Method. The leave obligation cover the Company’s liability for earned leave. The amount of the provision of ₹ 75.98 lakh (year ended 31 March 2021: ₹ 75.53 lakh) is presented as current. The Company contributes towards has recognised ₹ 32.37 lakh (31 March 2021: ₹ 33.41 lakh) for Compensated absences in the Statement of Profit and Loss.

40. Related party transactions

Names of related parties and related party relationship

Related parties where control exists - Subsidiary Company	CIPL-PPSL-Yongnum Joint venture Constructions Private Limited
Joint Venture	PPSL Capacite JV Capacite Viraj AOP
Enterprises directly or indirectly owned / significantly influenced by directors/key management personnel or their relatives.	Katyal Merchandise Pvt Ltd Capacite Engineering Private Limited Katyal Ventures Private Limited (Formerly Capacit'e Ventures) Private Limited
Associates (where transactions have taken place during the year and previous year / balances outstanding)	TPL-CIL Construction LLP TCC Construction Pvt Ltd Captech Technologies Pvt Ltd (w.e.f. July 24, 2020)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

40. Related party transactions (Contd..)

Key Management Personnel & their relatives	Rohit Katyal – Executive Director and Chief Financial Officer Rahul Katyal – Managing Director & Chief Executive Officer (Re-designated from December 01, 2021) Varsha Malkani Company Secretary (from August 10, 2022) Subir Malhotra - Executive director Sakshi Katyal - Wife of Mr. Rohit Katyal Farah Nathani Menzies - Independent director Saroj Kumar Pati - Chief Executive Officer (Upto November 30, 2021) Sumeet Nindrajog- Non-Executive Director Siddharth Parekh- Non- Executive Director Arun Karambelkar- - Independent director (Re-appointment as from May 18, 2021) Monita Malhotra - Wife of Mr. Subir Malhotra Manjushree Nitin Ghodke- Independent Director

Related Party Transaction (including provisions and accruals)

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2022	As at March 31, 2021
CIPL-PPSL Yongnum JV Constructions Private Limited	Subsidiary Company	Revenue	-	-
		Converted in unsecured perpetual securities (Non cash)	377.84	392.99
Capacite Viraj AOP	Associate	Revenue	21.51	23.11
		Equipment hire charges	-	49.79
		Formwork hire charges	-	39.98
		Purchase of Material	2.00	21.58
		Other Income	-	3.72
		Subcontracting charges	-	55.64
Capacit'e Engineering Private Limited	Enterprises directly or indirectly owned / significantly influenced by directors/key management personnel or their relatives	Subcontracting charges	1,060.72	79.77
		Other construction expenses	66.35	1,474.51
		Legal and professional charges	298.36	30.60
		Architectural fees	395.00	-
		Purchase of Material	432.34	260.08
		Other Income	-	6.33
		Security deposit	54.04	8.40
TPL-CIL Construction LLP	Associates	Other income	1,358.63	277.71
Rahul Katyal	Managing Director	Loan from director	3,240.00	-
		Loan repaid to director	823.00	11.24
		Interest on Loan (Gross)	166.74	0.50
		Directors Remuneration (refer note below)	94.20	66.92
Rohit Katyal	Director and Chief Financial Officer	Directors Remuneration (refer note below)	97.20	69.05
		Loan from director	3,220.00	-
		Loan repaid to director	679.00	30.00
		Interest Paid	-	9.69
		Interest on Loan (Gross)	161.42	10.55

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

40. Related party transactions (Contd..)

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2022	As at March 31, 2021
Varsha Malkani	Company Secretary	Remuneration	11.76	7.06
Subir Malhotra	Executive Director	Directors Remuneration (refer note below)	86.20	61.24
Manjushree Ghodke	Independent director	Sitting Fees	4.15	1.80
		Commission	3.00	-
Arun Karambelkar	Independent director	Sitting Fees	3.20	3.60
		Commission	3.00	3.00
Farah Nathani Menzies	Independent director	Sitting Fees	2.50	2.90
		Commission	3.00	3.00
Saroj Kumar Pati	Chief Executive Officer	Remuneration	81.70	86.42
Katyal Ventures Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Rent expenses	4.41	0.41
Mrs. Monita Malhotra	Relatives of Directors	Rent expenses	29.21	17.98
Sakshi Katyal	Relatives of Directors	Rent expenses	7.50	1.50
Katyal Merchandise Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Interest expense	15.93	11.41
		Interest paid	-	12.67
		Intercorporate deposits repaid	150.00	35.00
		Intercorporate deposits taken	150.00	30.00
Captech Technologies Private Limited	Associates	Other income	17.00	17.00
		Legal and professional charges	57.25	57.16
		Miscellaneous expenses	60.96	41.29

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

Compensation of key management personnel of the Company

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Compensation including sitting fees	389.91	304.99
Total	389.91	**304.99**

Closing Balances of Related Parties (including provisions and accruals)

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Balance	As at March 31, 2022	As at March 31, 2021
CIPL-PPSL Yongnum JV Constructions Private Ltd	Subsidiary Company	Investment in Perpetual Securities Unquoted	377.84	392.99
PPSL Capacite JV	Joint Venture	Trade payable	6.39	6.39
Capacite Viraj AOP	Joint Venture	Trade receivables	234.01	218.93
Capacit'e Engineering Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Trade payable	-	652.59
		Trade receivables	53.94	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

40. Related party transactions (Contd..)

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Balance	As at March 31, 2022	As at March 31, 2021
Captech Technologies Private Limited	Associate	Investment	60.40	60.40
		Trade payable	27.23	43.16
TPL-CIL Construction LLP	Associates	Trade receivables	289.01	69.27
Katyal Merchandise Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Intercorporate deposit	103.39	89.06
Katyal Ventures Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Other Payable	0.39	-
Sakshi Katyal	Relatives of Directors	Other Payable	2.03	-
Rohit Katyal	Director and Chief Financial Officer	Unsecured loan from director	2,745.70	59.42
Rahul katyal	Managing Director	Unsecured loan from director	2,567.07	-
Mrs. Monita Malhotra	Relatives of Directors	Trade payable	6.06	2.99

Note: Loans given to related party are repayable on demand. These loans carries interest at 8.15% p.a to 12% p.a.

41 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A) Significant Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

i) Operating lease commitments – Company as lessee

The Company has entered into leases for office premises. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the office premises and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

ii) Taxes

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 31 for further disclosures.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

41 Significant accounting judgements, estimates and assumptions (Contd..)

iii) Revenue Recognition

The Company recognises revenue and profit/loss on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue and profit/loss therefore rely on estimates in relation to total estimated costs of each contract. 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 The revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognised when the recovery of such consideration is highly probable.

B) Estimates and assumptions

Key sources of estimation

The preparation of the financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to guarantees given by the Company. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

ii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 40.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

41 Significant accounting judgements, estimates and assumptions (Contd..)

iii) Cost to complete

For assessing onerous contracts the Company is required to estimate the costs to complete of each contract. Survey of work done have been used to measure progress towards completion as there is a direct relationship. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

iv) Expected credit loss (ECL)

The Company has used an internal rating based approach in building its ECL model, using its own internal estimates for some or all of the credit risk components such as the Probability of Default ("PD"), Loss Given Default ("LGD") and Effective Maturity ("M"). Each of these elements are critical estimates in the measurement of impairment on such financial assets.

42 Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policies, to the financial statements.

(A) Fair Values:

The following tables presents the carrying amount and fair value of each category of financial assets and liabilities as at March 31, 2022 & March 31, 2021

At March 31, 2022

₹ in lakhs

Particulars	Level	Fair value through statement of profit and loss account	Amortised cost	Total carrying value	Total fair value
Financial assets					
Investments*	Level 2	8.50	-	8.50	8.50
Trade receivables		-	46,449.19	46,449.19	46,449.19
Cash and cash equivalent		-	2,211.05	2,211.05	2,211.05
Bank balances other than cash and cash equivalent		-	16,176.82	16,176.82	16,176.82
Loans		-	1,300.00	1,300.00	1,300.00
Other Financial Assets		-	66,626.16	66,626.16	66,626.16
Total		**8.50**	**1,32,763.22**	**1,32,771.72**	**1,32,771.72**
Financial Liabilities					
Borrowings		-	32,809.61	32,809.61	32,809.61
Trade payables		-	52,814.04	52,814.04	52,814.04
Lease liabilities		-	687.24	687.24	687.24
Other financial liabilities		-	8,172.75	8,172.75	8,172.75
Total		**-**	**94,483.64**	**94,483.64**	**94,483.64**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

42 Disclosures on Financial instruments (Contd..)

At March 31, 2021

₹ in lakhs

Particulars	Level	Fair value through statement of profit and loss account	Amortised cost	Total carrying value	Total fair value
Financial assets					
Investments*	Level 2	40.94	-	40.94	40.94
Trade receivables		-	36,620.16	36,620.16	36,620.16
Cash and cash equivalent		-	982.64	982.64	982.64
Bank balances other than cash and cash equivalent		-	14,638.60	14,638.60	14,638.60
Loans		-	1,300.00	1,300.00	1,300.00
Other Financial Assets		-	67,051.85	67,051.85	67,051.85
Total		**40.94**	**1,20,593.25**	**1,20,634.19**	**1,20,634.19**
Financial Liabilities					
Borrowings		-	28,608.58	28,608.58	28,608.58
Trade payables		-	42,210.68	42,210.68	42,210.68
Lease liabilities		-	515.46	515.46	515.46
Other financial liabilities		-	5,820.84	5,820.84	5,820.84
Total		**-**	**77,155.56**	**77,155.56**	**77,155.56**

*Excludes Group companies investments ₹ 519.84 Lakhs (March 21, 2021 ₹ 535 Lakhs) measured at cost. Refer Note 6.

Fair value of financial assets and financial liabilities measured at amortised cost:

The carrying amounts of trade receivables, loans, advances and cash and other bank balances are considered to be the same as their fair values due to their short term nature. The carrying amounts of long term loans given with floating rate of interest are considered to be close to the fair value.

The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short term nature. The carrying amounts of borrowings with floating rate of interest are considered to be close to the fair value

43 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

43 Capital Management (Contd..)

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings (i)	32,809.61	28,608.58
Less: Cash and cash equivalents	2,211.05	982.64
Net debt	30,598.56	**27,625.94**
Total Capital (ii)	97,399.69	**92,904.66**
Capital and Net Debt	1,27,998.25	**1,20,530.60**
Net debt to Total Capital plus net debt ratio (%)	23.91%	22.92%

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings.

(ii) Equity is defined as equity share capital and other equity including reserves and surplus.

In order to achieve this overall objective, the Company'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 loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

44 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents, other bank balances and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a risk committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified measured and managed in accordance with the Company's policies and risk objectives. The Board of directors reviews and agrees policies for managing each of these risks, which are summarised below:

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

a) 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 Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

44 Financial risk management objectives and policies (Contd..)

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings.

b) Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for long-term debt obligations with floating interest rates at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans that have floating rates:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Increase in basis points	+50	+50
Effect on profit before tax	(153.55)	(148.52)
Decrease in basis points	(50)	(50)
Effect on profit before tax	153.55	148.52

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on companies internal assessment.

The Company's customer profile includes mainly large private corporates. The Company's average project execution cycle is around 36 to 48 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

The Company has not acquired any credit impaired asset. There was no modification in any financial assets.

Non certification of works billed

The costs incurred on projects are regularly monitored through the Project budgets. Costs which are incurred beyond the agreed terms and conditions of the contract, would be claimed from the customer, based on the actual works performed. The realisability of such claims, is verified by professionals, who certify the tenability of such claims and also the collectible amounts, by applying appropriate probabilities. Costs, which are identified as non tenable or costs beyond the collectible amounts, as mentioned above, would be provided in the books of accounts.

Set out below the information about the credit risk exposure of the company's trade receivable using provision matrix:-

₹ in lakhs

At March 31, 2022	< 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	Total
ECL Rate	0.70%	1.70%	22.60%	35.20%	41.60%	
Estimated total gross carrying amount at default	29,161.68	5,003.93	3,706.68	7,181.55	8,642.25	53,696.09
ECL specified approach	204.17	86.62	836.69	2,525.39	3,594.03	7,246.90
Net carrying amount	**28,957.51**	**4,917.31**	**2,869.99**	**4,656.16**	**5,048.22**	**46,449.19**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

44 Financial risk management objectives and policies (Contd..)

₹ in lakhs

At March 31, 2021	< 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	Total
ECL Rate	0.40%	12.00%	15.70%	31.20%	22.00%	
Estimated total gross carrying amount at default	18,257.15	2,856.63	9,282.85	6,901.45	4,297.15	41,595.23
ECL specified approach	75.17	341.67	1,459.56	2,152.84	945.83	4,975.07
Net carrying amount	**18,181.98**	**2,514.96**	**7,823.29**	**4,748.61**	**3,351.32**	**36,620.16**

Reconciliation of impairment allowance on trade and other receivables

Particulars	₹ Lakhs
Impairment allowance as on April 1, 2020	**2,845.97**
Add/(Less): provision on expected credit loss	2,129.10
Impairment allowance as on April 1, 2021	**4,975.07**
Add/ (Less): provision on expected credit loss	3,172.74
(Less): Bad debt written off	(900.91)
Impairment allowance as on March 31, 2022	**7,246.90**

C) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in lakhs

Particulars	On demamd	Within 12 months	After 12 months	Total
Year ended March 31, 2022				
Borrowings (including current maturities)	9,570.39	9,502.62	13,736.60	32,809.61
Other financial liabilities	-	4,583.34	3,589.41	8,172.75
Lease liabilities	-	244.03	443.21	687.24
Trade payables	-	52,814.04	-	52,814.04
Total	**9,570.39**	**67,144.03**	**17,769.22**	**94,483.64**
Year ended March 31, 2021				
Borrowings (including current maturities)	13,723.53	6,651.26	8,233.79	28,608.58
Other financial liabilities	-	2,999.92	2,820.92	5,820.84
Lease liabilities		220.96	294.50	515.46
Trade payables	-	42,210.68	-	42,210.68
Total	**13,723.53**	**52,082.82**	**11,349.21**	**77,155.56**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

45 Significant event after the reporting period

There were no significant adjusting event that accrued subsequent to the reporting period which may require an adjustment to the balance sheet.

46 Estimation of uncertainties relating to the global health pandemic from COVID-19

The Corona Virus (COVID-19) had some impact on the operation of the Company during the current financial year. The Company has considered internal and external source of information upto the date of approval of standalone financial statements in the preparation of the financial statements.

47 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Impact if any of the change will be assessed and accounted in period of notification of the relevant provisions.

48 Ratio

Ratio	Numerator	Denominator	31-Mar-2022	31-Mar-2021	% Change	Remark
a) Current ratio	Current Assets	Current Liabilities	1.442	1.367	5%	
b) Debt equity ratio	Total Debt	Share Holder's Equity	0.337	0.308	9%	
c) Debt service coverage ratio	Earnings of Debt service= Net profit after tax + non cash expenses	Debt service= Interest and lease payment+ Principal repayment	2.406	1.794	34%	Increase due to increase in PAT of ₹ 4,468.48 Lakhs Vis-à-vis ₹ 179.05 lakhs in the year 20-21
d) Return on equity	Net profit after tax	Average share holder's equity	0.047	0.002	2333%	"Increase in the ratio is due to increase in PAT in 2021-22 ₹ 4,468.48 Lakhs Vis-à-vis ₹ 179.05 lakhs in the year 20-21"
e) Inventory turnover ratio	Cost of goods sold	Average inventory	8.781	5.887	49%	Ratio increased due to increase in COGS F.Y 2021-22 ₹ 93,069.69 Lakhs vis-à-vis ₹ 60,215.32 for F.Y 2020-21 as the turnover of the current year increase to ₹ 1,33,478 Lakhs vis-a-vis ₹ 87,972 Lakhs of FY 20-21.
f) Trade receivable turnover ratio	Net Credit sale= Gross credit sale - sale return	Average trade receivable	3.214	2.112	52%	Ratio increased due to turnover of the current year increase to ₹ 1,33,478 for F.Y. 2021-22 vis-à-vis ₹ 87,972 Lakhs of FY 20-21.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

48 (Contd..)

Ratio	Numerator	Denominator	31-Mar-2022	31-Mar-2021	% Change	Remark
g) Trade payable turnover ratio	Net Credit purchases= Gross credit purchases - purchase return	Average trade payable	1.950	1.140	71%	Increased due to increase in net credit purchases. For 21-22 the net credit purchases is ₹ 94,178.79 lakhs vis-à-vis ₹ 59,848.37 which resulted in increase in the ratio in the current year.
h) Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current Assets - Current Liabilities	2.984	2.644	13%	
i) Net profit ratio	Net profit	Net sales = Total sales - sales return	3%	0.204%	1545%	Increase due to increase in PAT of ₹ 4,468.48 Lakhs Vis-à-vis ₹ 179.05 lakhs in the year 20-21
j) Return on capital employed	Earning before interest & tax	Capital employed = Tangible net worth + total debt - deferred tax liability	6.60%	3.24%	104%	Increase in the ratio is due to increase in PAT in 2021-22 ₹ 4,468.48 Lakhs Vis-à-vis ₹ 179.05 lakhs in the year
k) Return on investments	Income generated from investment fund	Average investment in treasury investments	0.008	0.073	-89%	The income is not material to the company. The income generated from sale of investment is ₹ 0.19 Lakhs in 21-22 vis - vis ₹ 3.6 Lakhs in the year 2020-21. Consequently the investment value has gone down.

49 Other statutory information's

(i) The company do not have any Benami property where any proceeding has been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The company do not have any transaction with companies struck - off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956:

(iii) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The company have not traded of invested in Crypto currency or Virtual currency during the financial year.

(v) The company have not advanced or loaned or invested fund to any other person (s) or entity (ies), including foreign entities (intermediaries) with the understanding that intermediary shall :

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The company have not received any fund from any person (s) or entity (ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

49 Other statutory information's (Contd..)

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act, 2013 for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003)

50 Previous year figures

The figures for the corresponding previous year have been regrouped / reclassified whenever necessary, to make them comparable

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Varsha Malkani
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To
the Members of Capacit'e Infraprojects Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Capacit'e Infraprojects Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2022, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary, associates and joint ventures , the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2022, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements' section of our report. We are independent of the Group, associates, joint ventures in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act 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 audit opinion on the consolidated Ind AS financial statements.

Emphasis of Matter

We draw attention to note 49 of the consolidated Ind AS financial statements, which describes the management assessment of uncertainties related to COVID-19 and its consequential impact, including the recoverability of its assets and operations of the Group. Our opinion is not modified with respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (as described in Note 36 of the consolidated Ind AS financial statements)	
The Group's significant portion of business is undertaken through engineering, procurement and construction contracts. Revenue from these contracts are recognized over a period of time or at a point of time, in accordance with the requirements of Ind AS 115, 'Revenue from Contracts with Customers'. Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method which is determined based on survey of work done by the Group. This involves significant judgments, identification of contractual obligations and the Group's rights to receive payments for performance obligation completed till date. Accuracy of revenues and determination of onerous obligations involves significant judgements and estimates, which may impact the profits. Accordingly, this is considered as a key audit matter.	• Our audit procedures included reading the Group's revenue recognition accounting policies and assessing compliance with the policies in terms of Ind AS 115 - Revenue from Contracts with Customers. • Understood and tested on a sample basis the design and operating effectiveness of management control over revenue recognition with focus on determination of extent of completion. • Performed test of details, on a sample basis, and read the underlying customer contracts for terms and conditions. • Understood the management's process to recognize revenue over a period of time or at a point of time, status of completion of projects and total cost to completion estimates. • Tested contracts with low or negative margins to assess the level of provisioning required, including for onerous obligations. • Tested that the contractual positions and revenue for the year are presented and disclosed in compliance of Ind AS 115 in the financial statements. Read the disclosures made by management in compliance of Ind AS 115, tested the disclosures made with underlying transactions.
Recoverability of trade receivables (as described in Note 36 of the consolidated Ind AS financial statements)	
Trade receivables and contract assets amounting to ₹ 46,555.13 lakhs and ₹ 58,299.09 lakhs respectively, represents approximately 43.85% of the total assets of the Group as at March 31, 2022 against which provision for doubtful debts amounting to ₹ 7,246.90 lakhs was made. In assessing the recoverability of the aforesaid balances and determination of allowance for expected credit loss, management's judgement involves consideration of aging status, historical payment records, evaluation of litigations, the likelihood of collection based on the terms of the contract and the credit information of its customer including the possible effect from the pandemic relating to COVID-19. Management estimation is required in the measurement of work completed during the period for recognition of unbilled revenue. We considered this as key audit matter due to the materiality of the amounts and significant estimates and judgements as stated above.	Our audit procedures amongst others included the following: • Understood and tested on a sample basis the design and operating effectiveness of management control over assessing the recoverability of the trade receivables and contract assets. • Performed test of details and tested relevant contracts, documents and subsequent receipts for material trade receivable balances and amounts included in contract assets that are due on performance of future obligations. • Tested the ageing of trade receivables at year end. • Performed test of details and tested relevant contracts and documents with focus on measurement of work completed during the period for material unbilled revenue balances included in contract asset. • Performed additional procedures which include, on test check basis, read the communications to/ from customer, physical site visits, verification of last bills certified and subsequent client certifications. • Assessed the allowance for expected credit loss made by management including the possible effect from the pandemic relating to COVID-19.

Other Information

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

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS 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 for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding 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 ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information, in respect of one subsidiary, whose Ind AS financial statements include total assets of ₹ 469.59 Lakhs as at March 31, 2022, and total revenues of Nil and net cash outflows ₹ 0.76 Lakhs for the year ended on that date. This financial statement and other financial information has been audited by other auditor, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net loss of ₹ 74.12 Lakhs for the year ended March 31, 2022, as considered in the consolidated Ind AS financial statements, in respect of three associates and two joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, joint ventures and associates, is based solely on the reports of such other auditors.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, associates and joint ventures , as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures and, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiary, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiary, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, associates and joint ventures, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements – Refer Note 37 to the consolidated Ind AS financial statements;

ii. The Group, its associates and joint ventures did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary, associates and joint ventures , incorporated in India during the year ended March 31, 2022.

iv. a) The respective managements of the Holding Company and its subsidiary, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary, associate and joint ventures respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary, associates and joint ventures to or in any other person or entity, with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary, associate and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary, associate and joint ventures respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiary, associate and joint ventures from any persons or entities, with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary, associate and joint ventures shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary, associate and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership Number: 037924
UDIN: 22037924AJTMJF4126

Place of Signature: Mumbai
Date: May 27, 2022

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF CAPACIT'E INFRAPROJECTS LIMITED

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated Ind AS financial statements are:

Sr. No.	Name	CIN	Holding Company/ Subsidiary/Associate/ Joint Venture	Clause number of CARO report which is qualified or is adverse
1	Capacit'e Infraprojects Limited	L45400MH2012PLC234318	Holding Company	3(ii)(b)
2	Capacit'e Infraprojects Limited	L45400MH2012PLC234318	Holding Company	3((iii)(c)
3	Capacit'e Infraprojects Limited	L45400MH2012PLC234318	Holding Company	3((iii)(e)
4	Capacit'e Infraprojects Limited	L45400MH2012PLC234318	Holding Company	3(vii)(a)
5	Capacit'e Infraprojects Limited	L45400MH2012PLC234318	Holding Company	3(ix)(a)

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership Number: 037924
UDIN: 22037924AJTMJF4126

Place of Signature: Mumbai
Date: May 27, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF CAPACIT'E INFRAPROJECTS LIMITED

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

In conjunction with our audit of the consolidated Ind AS financial statements of Capacit'e Infraprojects Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated Ind AS financial statements of Capacit'e Infraprojects Limited (herein referred to as 'the Holding Company') and its subsidiary, associates and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Ind AS Financial Statements

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

Opinion

In our opinion, the Group , its associates and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31,2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated Ind AS financial statements of the Holding Company, in so far as it relates to these one subsidiary, three associates and two joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, associates and joint ventures incorporated in India.

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership Number: 037924
UDIN: 22037924AJTMJF4126

Place of Signature: Mumbai
Date: May 27, 2022

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2022

₹ in lakhs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
A - Assets			
1) **Non-current assets**			
Property, plant and equipment	4	67,922.27	65,085.69
Capital work-in-progress	4	1,366.08	587.83
Investment properties	4A	737.72	750.67
Intangible assets	5	77.80	101.82
Right-of-use assets	5A	632.40	504.21
Intangible assets under development	5	38.62	11.74
Investment in associates and joint ventures	6	35.02	108.86
Financial assets			
Investment	6A	8.50	8.50
Trade receivables (retention)	12	7,086.24	8,147.76
Other financial assets	8	2,312.28	10,741.78
Non current tax assets (net)	10	3,183.34	2,219.36
Other non-current assets	9	9,392.95	11,966.07
Total non-current assets		92,793.22	**1,00,234.29**
2) **Current assets**			
Inventories	11	11,153.96	10,044.86
Financial assets			
Investments	6	25.89	32.44
Trade receivables	12	39,468.89	28,578.34
Cash and cash equivalents	13	2,211.30	983.65
Bank balances other than cash and cash equivalents	14	16,176.82	14,638.60
Loans	7	1,300.00	1,300.00
Other financial assets	8	64,328.38	56,324.57
Other current assets	9	11,671.54	12,419.51
Total current assets		1,46,336.78	**1,24,321.97**
Total-Assets		2,39,130.00	**2,24,556.26**
B - Equity and Liabilities			
1) Equity			
Equity share capital	15A	6,789.15	6,789.15
Other equity	15B	90,503.19	86,078.10
Total equity		97,292.34	**92,867.25**
2) Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	13,736.60	8,233.79
Lease liabilities	16A	443.21	294.50
Other financial liabilities	18	3,589.41	2,820.92
Provisions	19	316.34	214.82
Deferred tax liabilities (net)	21	3,509.00	3,469.92
Other non-current liabilities	22	18,961.87	25,985.84
Total non-current liabilities		40,556.43	**41,019.79**
Current liabilities			
Financial liabilities			
Borrowings	16	19,092.91	20,393.32
Lease liabilities	16A	244.03	220.96
Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		2,042.31	953.02
- Total outstanding dues of trade payables other than micro enterprises and small enterprises		50,818.83	41,306.64
Other financial liabilities	18	4,627.23	3,017.63
Provisions	19	244.90	219.26
Current tax liabilities (net)	20	1,258.49	1,251.53
Other current liabilities	22	22,952.53	23,306.86
Total current liabilities		1,01,281.23	**90,669.22**
Total liabilities		1,41,837.66	**1,31,689.01**
Total Equity and Liabilities		2,39,130.00	**2,24,556.26**
Summary of significant accounting policies	3		

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Jayesh Gandhi
Partner
Membership No : 37924

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Varsha Malkani
Group Secretary

CONSOLIDATED STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED MARCH 31, 2022

₹ in lakhs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Income			
Revenue from operations	23	1,33,478.74	87,972.19
Other income	24	1,313.59	2,879.54
Total income		1,34,792.33	90,851.73
Expenses			
Cost of material consumed	25	55,488.86	35,691.33
Construction expenses	26	37,580.83	24,523.99
Employee benefit expense	27	10,889.09	7,880.75
Finance costs	28	6,697.82	7,029.65
Depreciation and amortisation expenses	29	9,881.31	9,016.23
Other expenses	30	8,170.58	6,227.72
Total expenses		1,28,708.49	90,369.67
Profit before tax and share of profit/(loss) of Joint Ventures and Associates (1-2)		6,083.84	482.06
Share of (loss)/ profit of Joint ventures	43	(26.17)	(8.75)
Share of profit/ (loss) of Associates	43	(47.95)	(15.54)
Profit before tax		6,009.72	457.77
Tax expense			
Current tax	31	1,581.05	636.44
Deferred tax	31	30.15	(445.60)
Adjustment of tax of earlier years		-	113.71
Total tax expense		1,611.20	304.55
Profit after tax		4,398.52	153.22
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on defined benefit plans		35.51	185.12
Income tax effect		(8.94)	(46.59)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		26.57	138.53
Total comprehensive income for the period/year		4,425.09	291.75
Profit for the year			
- Owners of the Group		4,398.52	153.22
- Non-controlling interest		-	-
Other comprehensive income for the year			
- Owners of the Group		26.57	138.53
- Non-controlling interest		-	-
Total comprehensive income for the year			
- Owners of the Group		4,425.09	291.75
- Non-controlling interest		-	-
Earning per share (of ₹ 10/- each)	33		
- Basic (₹)		6.48	0.23
- Diluted (₹)		6.48	0.23
Summary of significant accounting policies	3		

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

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Varsha Malkani
Group Secretary

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

₹ in lakhs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
A Cash flow from operating activities			
Profit before tax		6,009.72	457.77
Adjustment to reconcile profit before tax to net cash flows			
Depreciation and amortisation expenses		9,881.31	9,016.23
Finance costs		6,697.82	7,029.65
Share of Profit/Loss from Joint Ventures & associates		74.12	24.29
Impairment allowance for trade receivables		2,271.83	2,129.10
Gain on disposal of property, plant and equipment		(225.80)	(15.93)
Fair value gain on financial instruments at fair value through profit and loss		(0.19)	(3.60)
Sundry balance written back		7.41	(74.81)
Finance income		(1,032.11)	(1,720.24)
Operating profit before working capital changes		**23,684.11**	**16,842.46**
Movement in working capital :			
(Increase)/Decrease in Trade Receivables (Including bills discounted with banks)		(14,738.33)	(2,126.96)
(Increase)/Decrease in Loans		-	-
(Increase)/Decrease in Inventories		(1,109.12)	366.95
(Increase)/Decrease in other assets and other financial assets		(6,470.27)	(2,841.96)
Increase/(Decrease) in Trade payables		10,568.48	(9,327.99)
Increase/(Decrease) in Provisions		162.67	(984.89)
Increase/(Decrease) in Other liabilities and other financial liabilities		(6,110.01)	6,595.38
Cash generated from operations		**5,987.53**	**8,522.99**
Income tax paid (net of refunds)		(2,538.07)	(819.71)
Net cash flow from operating activities (A)		**3,449.46**	**7,703.28**
B Cash flow from investing activities			
Purchase of property, plant and equipment including CWIP and capital advances		(10,213.65)	(11,256.74)
Proceeds from sale of property, plant and equipment		225.80	80.60
Purchase of other investments		-	(60.30)
Proceeds from sale of financial instruments		32.63	20.56
Investments in bank deposits (having original maturity of more than three months), net		6,708.59	(2,508.57)
Interest received		953.53	1,510.96
Net cash used in investing activities (B)		**(2,293.10)**	**(12,213.49)**
C Cash flow from financing activities			
Repayment of long-term borrowings		(4,374.27)	(3,251.24)
Proceeds from long-term borrowings		10,030.26	3,293.43
Payment of principal portion of lease liabilities		(159.63)	(413.89)
Proceeds/ (Repayments) from short-term borrowings, net		806.22	1,839.13
Interest paid including interest on lease liability		(6,231.29)	(6,732.59)
Net cash from/(used in) financing activities (C)		**71.29**	**(5,265.16)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)		**1,227.65**	**(9,775.37)**

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2022

₹ in lakhs

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents at the beginning of the year		983.65	10,759.02
Cash and cash equivalents at end of the period (note 13)		**2,211.30**	**983.65**
Components of cash and cash equivalents			
Cash in hand		14.15	19.04
Foreign currency on hand		3.08	2.94
Balances with banks:			
- on current accounts		1,255.33	832.98
- Term Deposits with less than 3 months of original maturity		938.74	128.69
Total cash & cash equivalents (note 13)		**2,211.30**	**983.65**
Supplemental information			
Non cash item : Gain/(Loss) on Current Investments on fair value through P&L		-	3.60
Summary of significant accounting policies	3		
Net Debt reconciliation to cash flows	16		

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Varsha Malkani
Group Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2022

A) Equity Share Capital

For the year ended 31 March, 2022

Particulars	Nos.	₹ Lakhs
At 1 April 2021	**6,78,91,497**	**6,789.15**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance	6,78,91,497	6,789.15
Issue of share capital	-	-
At 31 March 2022	6,78,91,497	6,789.15

For the year ended 31 March 2021

Particulars	Nos.	₹ Lakhs
At 1 April 2020	**6,78,91,497**	**6,789.15**
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance	6,78,91,497	6,789.15
Issue of share capital	-	-
At 31 March 2021	**6,78,91,497**	**6,789.15**

B) Other equity

₹ in lakhs

Particulars	Reserves and surplus		Items of other comprehensive income	Total equity
	Securities premium	Retained earnings		
Balance as at April 1, 2021	45,713.14	40,226.43	138.53	86,078.10
Profit for the year	-	4,398.52	-	4,398.52
Other comprehensive income / (losses)			26.57	26.57
At March 31, 2022	45,713.14	44,624.95	165.10	90,503.19

₹ in lakhs

Particulars	Reserves and surplus		Items of other comprehensive income	Total equity
	Securities premium	Retained earnings		
Balance as at April 1, 2020	**45,713.14**	**40,088.11**	**-**	**85,801.25**
Profit for the year	-	138.32	-	138.32
Other comprehensive income / (losses)	-	-	138.53	138.53
At March 31, 2021	**45,713.14**	**40,226.43**	**138.53**	**86,078.10**

Summary of significant accounting policies 3

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per Jayesh Gandhi
Partner
Membership No : 37924

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Varsha Malkani
Group Secretary

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

1 Corporate information

The consolidated financial statements comprise financial statements of Capacit'e Infraprojects Limited ("the Group") and its subsidiary (collectively, the Group) for the year ended March 31, 2022. The Group is a public limited Group domiciled in India and its incorporated under the provisions of Companies Act applicable in India on August 09, 2012. The Group is an ISO-9001:2015, ISO-14001:2015 and OHSAS-45001:2018 certified Group. Its shares are listed on two recognised stock exchanges in India. The registered office of the Group is located at 6th Floor, 605-607, "A" Wing, Shrikant Chambers, Next to R. K. Studios, Sion Trombay Road, Chembur, Mumbai, Maharashtra 400071.

The Group is primarily engaged in the business of Engineering, Procurement and Construction. The Group was incorporated as a Private Limited Group and became a Limited Group in March 2014 (Public limited in September 2017).

The consolidated financial statements were authorised for issue in accordance with a resolution of directors on May 27, 2022.

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statement.

2.2 Basis of preparation and presentation

These consolidated financial statements have been prepared in Indian Rupee ("₹") which is the functional currency of the Group. These consolidated financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below.

2.3 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Group and its subsidiary as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

1. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
2. Exposure, or rights, to variable returns from its involvement with the investee, and
3. The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

1. The contractual arrangement with the other vote holders of the investee;
2. Rights arising from other contractual arrangements;
3. The Group's voting rights and potential voting rights;
4. The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Group, i.e., year ended on March 31.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

1. Derecognises the assets (including goodwill) and liabilities of the subsidiary
2. Derecognises the carrying amount of any non-controlling interests
3. Derecognises the cumulative translation differences recorded in equity
4. Recognises the fair value of the consideration received
5. Recognises the fair value of any investment retained
6. Recognises any surplus or deficit in profit or loss
7. Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

3 Summary of significant accounting policies

a Current versus non-current classification

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

An asset is treated as current when it is:

i. Expected to be realised or intended to be sold or consumed in normal operating cycle,

ii. Held primarily for the purpose of trading,

iii. Expected to be realised within twelve months after the reporting period, or

iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

i. It is expected to be settled in normal operating cycle,

ii. It is held primarily for the purpose of trading,

iii. It is due to be settled within twelve months after the reporting period, or

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

All other liabilities are classified as non-current.

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

Operating cycle for current and non-current classification

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

b Fair value measurement of financial instruments

The Group measures financial instruments at fair value at each balance sheet date using valuation techniques. 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:

a) In the principal market for the asset or liability, or

b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are 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 recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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

c Revenue Recognition

Ind AS 115 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers.

Description of performance obligation:

Contract revenue is recognized over time by measuring progress towards complete satisfaction of the performance obligation at the reporting date, measured on the basis of stage of completion which is as per survey of work done (output method). Contract costs related to work performed in projects are recognised on an accrual basis. Costs incurred in connection with the work performed are recognised as an expense.

Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

revenue recognized will not occur when that uncertainty associated with the variable consideration is subsequently resolved.

The Group accounts for a contract modification (change in the scope or price (or both)) when that is approved by the parties to the contract. Where the outcome of a performance obligation cannot be reasonably measured, contract revenue is recognised to the extent of costs incurred in satisfying the performance obligation that is expected to be recovered.

Provision for future losses are recognised as soon as it becomes evident that the total costs expected to be incurred in a contract exceed the total expected revenue from that contract.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Group's performance and the Group has an enforceable right to payment for services transferred. Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

Contract balances:

i) Contract assets

Due from customers

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Due from customers".

ii) Trade receivables

The amounts billed on customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Retention money are specific to project and generally receivable within 12 months of project completion.

iii) Contract liabilities

Due to customers :

For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Due to customers".

Advances from customer:

Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer".

Supply contracts-sale of goods

Revenue from supply contract is recognized when the control is transferred to the buyer.

Management consultancy and other services

Revenues from management consultancy and other services are recognized pro-rata over the period of the contract as and when services are rendered.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate aapliacle.

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

Dividend

Dividend income is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

d Property, plant and equipment (PPE)

PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. PPE acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs are capitalised in accordance with the Group's accounting policy.

PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress". (Also refer to policy on leases, borrowing costs, impairment of assets and foreign currency transactions infra).

Group is capitalising Site Establishments at site. Site establishments includes temporary structures build on project site and is used in the process of construction. Site establishments items and activities includes excavation, Ground levelling, making approach road, boundary making, barricading, security gate, labour colony, store rooms, professional fees for designing site establishments, monsoon protection sheds, all electrical lines at project site, etc. All material and manpower cost used in building these site establishments are capitalised at that project site.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

e Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period with the affect of any change in the estimate being accounted for on a prospective basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

f Depreciation and Amortisation

Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

Intangible assets in the form of computer software are amortised over their respective individual estimated useful lives on a straight line basis.

The Group has assessed the following useful life to depreciate and amortize on its property, plant and equipment and intangible assets respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

The useful life of major assets are as under:

Particulars	Useful lives of the assets estimated by the management (years)
Plant and Machinery *	20
Furniture and fixture *	10
Office Equipment	10
Formwork *	7 to 15
Vehicles	10
Computer	5
Computer Software	5

* Group has used useful life other than as indicated in Schedule II which is as per management estimate, supported by independent assessment by professionals. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Site Establishments are amortised systematically over the life of the contract.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The amortization period and the amortization method are reviewed at least at each financial year end.

g Investment property and depreciation

i) Recognition and measurement:

Investment properties comprises of land and building are measured initially at cost, including transaction costs. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred. Though the Group measures investment property using cost based measurement

ii) Depreciation

Depreciation on Investment Property is provided using the straight-line basis method based on the useful lives specified in Schedule II to the Companies Act, 2013.The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company.

All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

h Impairment of non-financial assets

As at the end of each accounting year, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. The intangible assets with indefinite life are tested for impairment each year. Useful life of the all the assets are mentioned in note 3(f) - Depreciation and amortisation .

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

(i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

(ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

cost of capital of the Group suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

i Investment in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associate and joint venture are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

If an entity's share of losses of an associate or a joint venture equals or exceeds its interest in the associate or joint venture (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate or joint venture), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit and loss outside operating profit.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit and loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss

j Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

Subsequent measurement of financial assets:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification financial assets.

Following are the categories of financial instrument:

a) Financial assets at amortised cost

b) Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)

d) Financial assets at fair value through profit or loss (FVTPL)

a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate method if these financial assets 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.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

Debt financial assets measured at FVOCI:

Debt instruments are subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Equity Instruments designated at FVOCI:

On initial recognition, the Group makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

c) Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on

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FOR THE YEAR ENDED MARCH 31, 2022

initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets such as unquoted Mutual funds are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

a) the rights to receive cash flows from the asset have expired, or

b) the Group has transferred its rights to receive cash flows from the asset, and

   i. the Group has transferred substantially all the risks and rewards of the asset, or

   ii. the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss ('ECL') model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured at FVTOCI.

c) Financial guarantee contracts which are not measured as at FVTPL.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument

ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss . This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. In the balance sheet, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

Offsetting: Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Gains or losses on liabilities held for trading are recognised in the profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

This category generally applies to borrowings.

De-recognition

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 de-recognition 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 and loss.

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

k Inventories

Inventories are valued at the lower of cost and net realisable value.

a. Construction material, raw materials, components, stores and spares are valued at lower of cost and net realizable value. However material and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost are determined on weighted average method.

b. Ply and Batten (included in cost of material consumed).

Ply and batten are part of material and supplies used in the construction process and are hence part of inventory which are valued at cost less amortisation/charge based on their usages.

l Foreign currencies

The Group's consolidated financial statements are presented in ₹, which is also the Group's functional currency.

In preparing the consolidated financial statements, transactions in the currencies other than the Group's functional currency are recorded at the rates of exchange prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in the foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items are measured in terms of historical cost in a foreign currency are not retranslated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

m Employee benefit expenses

Defined Benefit Plan

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method made at the end of the financial year. Actuarial gains and losses for both defined benefit plans are recognized in full in the period in which they occur in the statement of OCI.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Termination Benefits

The Group recognizes termination benefit as a liability and an expense when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than 12 months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Compensated Absences

The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated advances are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses on defined benefit plans are immediately taken to the Statement of Profit & Loss and are not deferred.

n Taxes on income

Current income tax

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred income tax

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of taxable temporary differences associated with investments in subsidiary and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

All other acquired tax benefits realised are recognised in profit or loss.

o Cash and cash equivalent

Cash and cash equivalent 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. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

p Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds including interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset until such time as the assets are substantially ready for the intended use or sale. All other borrowing costs are expensed in the period in which they occur.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

q Trade payables:

These amounts represents liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 180 days of recognition other than usance letter of credit. Trade payables are presented as current financial liabilities.

The Group enters into deferred payment arrangements (acceptances) for purchase of raw materials under Letter of Credit (LCs) under non-fund based working capital facility approved by Banks for the Group. Considering these arrangements are majorly for raw materials with a maturity ranging from 90 to 180 days, the economic substance of the transaction is determined to be operating in nature and these are recognised as Acceptances under Trade payables. Interest borne by the Group on such arrangements is accounted as finance cost.

r Leases

Where the Group is lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of Building which is 3 to 5 years.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note (h) Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in Interest-bearing loans and borrowings (see note (n)).

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

s Provisions and Contingencies

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Provisions and contingent liability are reviewed at each balance sheet.

t Related party transactions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period-end are unsecured and settlement occurs in cash or credit as per the terms of the arrangement. Impairment assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

u Commitments

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

(i) estimated amount of contracts remaining to be executed on capital account and not provided for;

(ii) uncalled liability on shares and other investments partly paid;

(iii) funding related commitment to subsidiary, associate and joint venture companies; and

(iv) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

v Dividend

(i) Proposed dividend:

The Group recognises a liability to make cash distributions to equity holders of the Parent Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

(ii) Final dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Parent Group's Board of Directors. The Parent Group declares and pays dividend in Indian rupees. The Finance Act 2020 has repealed the Dividend Distribution Tax (DDT). Companies are now required to pay/distribute dividend after deducting applicable taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

w Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity share holders of the Parent Group by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as fresh issue, bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity shares holders of the Parent Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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4 Property plant and equipment

₹ in lakhs

Particulars	Plant and Machinery	Furniture & Fixtures	Office Equipment	Site Establishment	Computers	Formwork	Vehicles	Building	Total
Cost or Valuation									
At March 31, 2020	**13,086.93**	**956.33**	**108.62**	**35,071.65**	**478.52**	**39,306.39**	**465.40**	**627.58**	**90,101.42**
Additions	260.08	170.17	-	6,282.75	104.77	3,005.99	-	-	9,823.76
Disposals	(82.42)	-	-	(4,273.86)	(23.24)	-	-	-	(4,379.52)
At March 31, 2021	**13,264.59**	**1,126.50**	**108.62**	**37,080.54**	**560.05**	**42,312.38**	**465.40**	**627.58**	**95,545.66**
Additions	141.51	25.50	-	4,956.87	61.57	7,059.44	21.45	746.21	13,012.55
Disposals	(86.98)	-	-	-	-	-	-	(535.00)	(621.98)
At March 31, 2022	13,319.12	1,152.00	108.62	42,037.41	621.62	49,371.82	486.85	838.79	1,07,936.23
Depreciation									
At March 31, 2020	**2,152.27**	**215.86**	**57.74**	**15,666.30**	**252.37**	**7,801.84**	**86.98**	**25.81**	**26,259.17**
Depreciation charge for the year	649.25	82.63	10.31	4,253.77	77.83	3,372.94	45.95	22.96	8,515.64
Disposals	(17.75)	-	-	(4,273.86)	(23.24)	-	-	-	(4,314.85)
At March 31, 2021	**2,783.77**	**298.49**	**68.05**	**15,646.21**	**306.96**	**11,174.78**	**132.93**	**48.77**	**30,459.96**
Depreciation charge for the year	651.94	70.25	9.46	5,001.13	86.24	3,755.31	46.97	6.77	9,628.07
Disposals	(20.41)	-	-	-	-	-	-	(53.66)	(74.07)
At March 31, 2022	3,415.30	368.74	77.51	20,647.34	393.20	14,930.09	179.90	1.88	40,013.96
Net Book Value									
At March 31, 2022	9,903.82	783.26	31.11	21,390.07	228.42	34,441.73	306.95	836.91	67,922.27
At March 31, 2021	**10,480.82**	**828.01**	**40.57**	**21,434.33**	**253.09**	**31,137.60**	**332.47**	**578.81**	**65,085.70**

Net Book Value

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Capital Work-in-Progress	1,366.08	587.83

Note 1:

Charge on the Assets:

Please refer note 16 for the details of charge created on assets.

Note 2:

No borrowing costs are capitalised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

4 Property plant and equipment (Contd..)

Capital work in progress (CWIP) ageing schedule

At 31 March 22

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Project in progress	1,273.05	-	-	34.94	1,307.99
Projects temporarily suspended	-	-	-	58.09	58.09
Total	-	-	-	58.09	58.09

At 31 March 21

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Project in progress	338.93	-	190.81	-	529.74
Projects temporarily suspended	-	-	58.09	-	58.09
Total	**338.93**	**-**	**248.90**	**-**	**587.83**

Details of Projects temporarily suspended

CWIP	Amount in CWIP to be completed in				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Ajinkya Hughes Projects	58.09	-	-	-	58.09
	58.09	**-**	**-**	**-**	**58.09**

4A Investment property

Particulars	₹ Lakhs
Cost or Valuation	
At March 31, 2020	**812.44**
Additions	-
Disposals	-
At March 31, 2021	**812.44**
Additions	-
Disposals	-
At March 31, 2022	812.44
Depreciation	
At March 31, 2020	**48.84**
Additions	12.94
Disposals	
At March31, 2021	**61.78**
Additions	12.94
Disposals	
At March 31, 2022	74.72
Net Book Value	
At March 31, 2022	737.72
At March 31, 2021	**750.67**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

4 Property plant and equipment (Contd..)

Information regarding income and expenditure of Investment properties

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Rental income derived from investment properties	23.67	23.20
Direct operating expenses (including repairs and maintenance)		
Profit arising from investment properties before depreciation and indirect expenses		
Less - Depreciation	12.94	12.94
Profit arising from investment properties before indirect expenses	10.73	**10.26**

Fair Valuation of Investment properties

₹ in lakhs

Investment properties	Fair Value
Retails properties	737.72

5 Intangible Assets

₹ in lakhs

Particulars	Computer Software	Total
Cost or Valuation		
At March 31, 2021	**418.43**	**418.43**
Additions	15.81	15.81
Disposals		
At March 31, 2022	434.24	434.24
Depreciation		
At March 31, 2021	**316.62**	**316.62**
Depreciation charge for the year	39.82	39.82
Disposals		
At March 31, 2022	356.44	356.44
Net Book Value		
At March 31, 2022	77.80	77.80
At March 31, 2021	**101.81**	**101.81**

Intangible assets under development

₹ in lakhs

Particulars	At March 31, 2022	At March 31, 2021
Opening balance	11.74	-
Additions during the year	31.50	11.74
Capitalised during the year	4.62	-
Closing balance	38.62	**11.74**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

5 Intangible Assets (Contd..)

Intangible assets under development ageing schedule

At 31 March 22

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Project in progress	31.50	7.12	-	-	38.62
Projects temporarily suspended	-	-	-	-	-
Total	31.50	7.12	-	-	38.62

At 31 March 21

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2 - 3 years	More than 3 years	
Project in progress	11.74	-	-	-	11.74
Projects temporarily suspended	-	-	-	-	-
Total	**11.74**	**-**	**-**	**-**	**11.74**

5A Lease

Group as a Lessee

Group has lease contracts for various items of machinery , office and other equipment used in its operations having lease terms between 3 months to 11 months.The Group also has certain leases of office premises, staff accomodation, Labour colony and Godowns used in its operations having lease terms between 11 months to 72 months. The lease terms are fixed in nature. For leases having lease terms of 12 months or less and leases of office equipment with low value, Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions.

Set out below is the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	₹ Lakhs
At March 31, 2020	**1,645.91**
Additions during the year	172.00
Disposals	704.60
At March 31, 2021	**1,113.31**
Additions during the year	328.67
Disposals	-
At March 31, 2022	1,441.98
Depreciation	
At March 31, 2020	**490.11**
Additions during the year	451.80
Disposals	332.81
At March 31, 2021	**609.10**
Additions during the year	200.48
Disposals	-
At March 31, 2022	809.58

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

5A Lease (Contd..)

Particulars	₹ Lakhs
Net Book Value	
At March 31, 2022	632.40
At March 31, 2021	**504.21**

6 Financial Assets: Investment in associates and joint ventures

Non Current Investments

I. Investment in equity shares carried at cost, fully paid up (unquoted)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
a) In Associates in India		
- TCC Constructions Pvt Ltd	11.37	16.01
- TPL - CIL Construction LLP	19.85	24.26
- Captech Technologies Private Limited [1,24,000 (March 31, 2021: 1,24,000) shares of ₹ 10 each]	-	64.78
	31.22	**105.06**
c) Investment in Joint Venture		
- PPSL JV	-	-
Add: Profit recognised	3.80	3.80
	3.80	3.80
Total	35.02	**108.86**
Details:		
Aggregate value of unquoted investments	35.02	108.86

*In the financial year 2018-19, the Group had converted the outstanding balance of loan given to CIPL PPSL Yongnam Joint Ventures Constructions Private Limited, its subsidiary Group into unsecured subordinated perpetual securities. During the previous year there has been a net reduction in same securities amounting to ₹ 15.16 Lakhs (also refer Note- 40 on Related party) . These securities are redeemable at the issuer's option and carry non-cumulative interest coupon at the rate of dividend paid on the issuer's ordinary shares. The interest can be deferred if the issuer does not pay any dividend on its ordinary shares for the financial year. The issuer has classified this instrument as equity under Ind AS -32 Financial Instruments Presentation. Accordingly, the Group has classified this investment as Equity Instrument and has accounted at cost as per Ind AS -27 Separate Financial Statements.

6 A Financial Assets: Investments

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current Investments		
Investment in equity shares carried at cost, fully paid up (unquoted)		
- Janakalyan Sahakari Bank [85,000 (March 31, 2021: 85,000) shares of ₹ 10 each]	8.50	8.50
Total	8.50	**8.50**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

6 A Financial Assets: Investments (Contd..)

Current investments

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
I. Investment in mutual funds carried at fair value through profit and loss, fully paid up (Unquoted) (under lien)		
- **Union Capital Protection Oriented Fund [NIL units (March 31, 2021:2,50,000]**	-	32.44
Total	-	**32.44**
II. Investment in equity shares carried at cost, fully paid up (unquoted)		
In Associates in India		
- Captech Technologies Private Limited [1,24,000 (March 31, 2021: 1,24,000) shares of ₹ 10 each]	25.89	-
	25.89	-
Total	25.89	**32.44**
Details:		
Aggregate value of unquoted investments	25.89	32.44
Market value of unquoted investments	25.89	32.44

7 Loans

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Loans Receivable- Considered good - Secured	1,000.00	1,000.00
Loans Receivable- Considered good - Unsecured	300.00	300.00
Total	1,300.00	**1,300.00**

Term & conditions:

Loans: ₹ 300 lakhs loan is given to Tridhaatu Asset Holdings LLP at an interest rate of 15% p.a. which is falling due on June 11, 2022. ₹ 1,000 lakhs loan is given to Epitome Residency Pvt. Ltd. at an interest rate of 15% p.a. which is falling due on June 12, 2022.

8 Other financial assets

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Deposits with banks (under lien)	1,584.55	338.28
Margin money deposits with banks	-	9,493.08
Interest accrued but not due on deposits with banks	364.19	327.71
Security deposits - others	363.54	382.71
Unbilled revenue	-	200.00
Total	2,312.28	**10,741.78**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

8 Other financial assets (Contd..)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Interest accrued but not due on deposits with banks	319.57	277.47
Contract assets (Refer Note 36)		
Unbilled revenue	45,753.59	45,775.39
Submitted bills due for certification	12,545.50	8,135.83
Security deposits - others	1,152.95	1,138.18
Security deposits - unsecured	524.51	444.51
Other receivables	4,032.26	553.19
Total	64,328.38	56,324.57

Term & conditions:

Security deposits - unsecured are Earnest Money Deposits (EMDs) given while submitting tender for prospective business. EMDs are refundable after the award of tender.

Security deposits - others are given for lease agreements , utilities services & other services ranging from 11 months to 72 months. These security deposits are refundable at the end the lease period.

9 Other assets

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Other Non-Current assets		
i. **Capital advances**	6,704.94	8,753.76
ii. **Advances other than Capital Advances**		
Balances with government authorities	2,052.91	1,997.43
Prepaid expenses	523.62	1,064.93
Advances to others	111.48	149.95
Total	9,392.95	11,966.07

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Other Current Assets		
i. **Advances other than Capital Advances**		
Advances to employees	151.22	114.76
Advances to related parties	73.96	110.48
Advances to others	9,385.32	9,530.50
ii. **Others**		
Balances with government authorities	903.48	959.60
Prepaid expenses	1,157.56	1,704.17
Total	11,671.54	12,419.51

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

10 Non current tax assets (net)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Advance tax	3,183.34	2,219.36
[net of provision for taxation ₹ 10,222.06 Lakhs (March 31, 2021 ₹ 10,954.67 Lakhs)]		
Total	3,183.34	2,219.36

11 Inventories

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials (at lower of cost and net realisable value)	11,153.96	10,044.86
Total	11,153.96	10,044.86

12 Trade receivables

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Trade receivables (retention)- unsecured	7,086.24	8,147.76
Total	7,086.24	8,147.76

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Trade receivables including retention balance	46,178.63	33,198.79
[including retention of ₹ 9,538.96 lakhs (March 31, 2021 ₹ 6,169.58 lakhs)]		
Receivable from related party- (Refer note (a) below)	537.16	354.62
	46,715.79	33,553.41
Less: Impairment allowances (allowance for bad and doubtful debts)	(7,246.90)	(4,975.07)
Total	39,468.89	28,578.34

Break-up of Receivables:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Secured - Considered good (Refer note 3 below)	1,038.60	-
Unsecured - Considered good	47,939.83	37,598.95
- Trade Receivables which have significant increase in credit risk	4,823.60	4,102.22
- Credit Impaired	-	-
	53,802.03	41,701.17
Impairment allowances (allowed for bad and doubtful debts)		
Unsecured - Considered good	3,136.75	3,053.58
Trade Receivables which have significant increase in credit risk	4,110.15	1,921.49
Total	46,555.13	36,726.10

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

12 Trade receivables (Contd..)

Notes:

1) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person.

2) Receivable from related party (refer note 40)

3) Subsequent to the balance sheet date, the promoter group has entered into an agreement with Company by which any shortfall in the realisation within 9 months from the date of agreement against the outstanding carrying value from certain parties shall be indemnified to the Company. The said carrying value includes trade receivable of ₹ 1,038.60 lakhs and contract asset of ₹ 2,242.40 lakhs as on balance sheet date. Considering the same, trade receivable and contract asset of the said parties as on the balance sheet date has been considered secured and good.

4) Trade receivables are non-interest bearing and are generally on terms of 45 to 90 days.

Trade receivable ageing schedule

At 31 March 22

₹ in lakhs

Particulars	Outstanding for the following period from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	
Undisputed trade receivable -- considered good	29,161.68	4,742.63	3,326.83	6,607.32	4,559.26	48,397.72
Undisputed trade receivable -- significant increase in credit risk	-	-	60.44	584.90	4,178.26	4,823.60
Undisputed trade receivable -- credit impaired	-	-	-	-	-	-
Disputed trade receivable -- considered good	-	261.30	319.41	-	-	580.71
Disputed trade receivable -- significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable -- credit impaired	-	-	-	-	-	-
Total	29,161.68	5,003.93	3,706.68	7,192.22	8,737.52	53,802.03

At 31 March 21

₹ in lakhs

Particulars	Outstanding for the following period from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	
Undisputed trade receivable -- considered good	17,198.82	2,806.10	9,331.11	4,148.58	4,114.34	37,598.95
Undisputed trade receivable -- significant increase in credit risk	-	-	1,062.72	2,761.44	278.06	4,102.22
Undisputed trade receivable -- credit impaired	-	-	-	-	-	-
Disputed trade receivable -- considered good	-	-	-	-	-	-
Disputed trade receivable -- significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable -- credit impaired	-	-	-	-	-	-
Total	17,198.82	2,806.10	10,393.83	6,910.02	4,392.40	41,701.17

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

12 Trade receivables (Contd..)

Unbilled revenue and submitted bills due for certification of ₹ 58,299.09 lakhs as on March 31,2022 (March 31, 2021: ₹ 54,111.22 lakhs) has been shown as contract assets in Note 8 -"Other financial assets".

Note (a) :Receivable from related party

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
TPL- CIL Construction LLP	289.01	69.27
Capacite Viraj AOP	234.01	244.16
Captech Technologies Private Limited	8.63	28.69
Capacite Engineering Private Ltd	12.50	12.50
Total	544.15	354.62

Unbilled revenue of ₹ 45,753.59 lakhs as on March 31,2022 (March 31, 2021: ₹ 45,775.39 lakhs) has been shown as contract asset in Note 8 -"Other financial assets".

Expected credit loss allowances on receivables

Impairment of financial assets: The Group recognises impairment loss on trade receivables using expected credit loss model, which involves use of a provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109.

Movement in expected credit loss allowance

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	4,975.09	2,845.98
Allowance during the year	2,271.83	2,129.11
Total	7,246.92	4,975.09

13 Cash and cash equivalents

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks:		
- On current accounts	1,255.33	832.98
- Deposits with original maturity of less than three months	938.74	128.69
Cash on hand	14.15	19.04
Foreign currency on hand	3.08	2.94
Total	2,211.30	983.65

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

14 Bank balances other than cash and cash equivalents

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits kept as margin money- Less than 3 months	7,019.38	3,907.70
Deposits having maturity more than three months but less than 12 months	9,157.44	10,730.90
Total	16,176.82	14,638.60

15A Equity share capital

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Authorised capital		
8,00,00,000 (March 31,2021: 8,00,00,000) Equity shares of ₹ 10/- each	8,000.00	8,000.00
Total	8,000.00	8,000.00
(b) Issued, subscribed and paid up		
6,78,91,497 Equity shares of ₹ 10/- each fully paid (March 31,2021: 6,78,91,497)	6,789.15	6,789.15
Total issued, subscribed and fully paid-up share capital	6,789.15	6,789.15

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

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	As at March 31, 2018
Equity shares allotted as fully paid-up pursuant to conversion of CCPS in ratio 7:1	-	-	-	-	1,15,96,816

(d) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

₹ in lakhs

Particulars	March 31, 2022		March 31, 2021	
	Nos.	₹ Lakhs	Nos.	₹ Lakhs
At the beginning of the year	6,78,91,497	6,789.15	6,78,91,497	6,789.15
Shares issued during the year	-	-	-	-
Outstanding at the end of the year	6,78,91,497	6,789.15	6,78,91,497	6,789.15

(e) Terms/Rights attached to equity shares

The Group has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian rupees. However, no dividend is declared in current year.

In the event of liquidation of the Group, the holders of shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts.

The distribution will be in proportion to the number of shares held by the shareholder ₹.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

15A Equity share capital (Contd..)

(f) Details of Shareholders holding more than 5% Equity Shares

₹ in lakhs

Name of shareholders	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% of Holding	Number of shares held	% of Holding
Rohit Ramnath Katyal	50,00,000	7.36%	63,04,144	9.29%
Rahul Ramnath Katyal	73,80,953	10.87%	83,80,953	12.34%
Katyal Merchandise Private Limited	90,72,994	13.36%	90,72,994	13.36%
New Quest Asia Investments II Limited	66,17,254	9.75%	66,17,254	9.75%
Paragon Partners Growth Fund	60,36,303	8.89%	60,36,303	8.89%
ICICI Prudential Multicap Fund	12,42,371	1.83%	42,05,451	6.19%

As per the records of the Group, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(g) Disclosure of Shareholding of Promoters

₹ in lakhs

Name of shareholders	As at March 31, 2022		As at March 31, 2021		% change during the year
	Number of shares held	% of Holding	Number of shares held	% of Holding	
Promoters					
Rohit Ramnath Katyal	50,00,000	7.36%	63,04,144	9.29%	(1.93%)
Rahul Ramnath Katyal	73,80,953	10.87%	83,80,953	12.34%	(1.47%)
Subir Malhotra	25,25,439	3.72%	25,25,439	3.72%	0.00%
Promoter group					
Katyal Merchandise Private Limited	90,72,994	13.36%	90,72,994	13.36%	0.00%
Sakshi Rohit Katyal	22,56,093	3.32%	22,56,093	3.32%	0.00%
Nidhi Rahul Katyal	70	0.00%	70	0.00%	0.00%
Rahul Ramnath Katyal (Acting As A Partner Of M/S Asutosh Trade Links)	-	0.00%	11,89,153	1.75%	(1.75%)
Total	**2,62,35,549**	**38.64%**	**2,97,28,846**	**43.79%**	**(5.15%)**

15B Other equity

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Securities premium		
Balance as per the last financial statements	45,713.14	45,713.14
Total	**45,713.14**	**45,713.14**

Note: Securities premium is used to record the excess of the amount received over the face value of the shares. The issue expenses of securities which qualify as equity instruments are written off against Securities premium. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

15B Other equity (Contd..)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(b) Retained earnings		
Balance as per last financial statement	40,364.96	40,088.11
Add: Profit for the year	4,398.52	153.22
Add: Other comprehensive income for the year	26.57	138.53
Less: Adjustment for joint venture (Refer note 53)	-	(14.90)
Total	44,790.05	**40,364.96**
Grand Total	90,503.19	**86,078.10**

Note: The portion of profits not distributed among the shareholders but retained and used in business are termed as retained earnings. It is also referred to as ploughing back of profit. The Group should ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. These earnings may be utilized for internal financing of its various projects and for fixed as well as working capital. Thus the retained earnings shall be utilized for carrying out the main objectives of the Group and maintaining adequate liquidity levels.

Notes to reserves

i) Securities premium

Securities premium The amount received in excess of face value of the equity shares is recognised in Securities Premium

ii) Retained earnings

Retained earnings Retained earnings are the profits that the Group has earned till date

iii) Debenture redemption reserve (DRR)

Debenture redemption reserve (DRR) The Companies Act requires that where a Group issues debentures, it shall create a debenture redemption reserve out of profits of the Group available for payment of dividend. The Group is required to maintain a Debenture Redemption Reserve of 15% of the value of debentures issued, either by a public issue or on a private placement basis. The amounts credited to the debenture redemption reserve may not be utilised by the Group except to redeem debentures. No DRR is required for debentures issued after August 16, 2019

16 Borrowings

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-Current borrowings		
Debentures		
12.5% Redeemable Non-Convertible Debentures (NCDs) (Secured)	7,551.01	-
	7,551.01	-
Term loans		
From banks (secured)	5,007.15	7,208.08
From financial institutions (secured)	1,178.44	1,025.71
Total	6,185.59	**8,233.79**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

16 Borrowings (Contd..)

Secured Redeemable Non-Convertible Debentures (NCDs)

₹ in lakhs

Particulars	As at Mar 31, 2022	
	Gross amount	Carrying value
12.5% Redeemable Non-Convertible Debentures	8,000.00	7,551.01

NCD carries Coupon Rate of 12.50% p.a. The principal amount is payable after moratorium of 15 months in seven quarterly instalments. The debentures are redeemable at a premium equivalent of IRR of 15.22% to 16.06% p.a. to investors. These debentures are secured by hypothecation of equipment's and properties against which these loans are taken along with Personal Guarantee by Mr Rohit Katyal , Mr Rahul Katyal and Mrs Shakshi Katyal

(b) Current borrowings

₹ in lakhs

	March 31, 2022	March 31, 2021
Working capital loan (secured)		
From bank	9,570.39	13,723.53
Bills discounted with bank (secured)	-	2,259.82
Current maturity of long term loans (secured)		
From banks	3,522.73	3,518.49
From financial institutions	878.13	729.19
From related parties		
Intercorporate deposits from related party (unsecured)	105.62	104.25
Loans from directors (unsecured)	5,016.04	58.04
Total	**19,092.91**	**20,393.32**
Less: Amount clubbed under "other current liabilities"		
Net current borrowings	**19,092.91**	**20,393.32**
Aggregate secured borrowings	27,707.85	28,464.82
Aggregate unsecured borrowings	5,121.66	162.29

Terms and conditions of the borrowings

a) Term loan from bank carries interest ranging between 7.40% to 14.70% p.a. These loans are repayable in 36 to 84 months with structured monthly instalments ranging between ₹ 0.15 Lakhs to ₹ 22.17 Lakhs each along with interest, from the date of loan. These loans are secured by hypothecation of respective equipment's/vehicles against which these loans are taken with additional mortgage/charge aggregating to an amount of ₹ 12,858.20 Lakhs (March 31, 2021 ₹ 18,078.00 Lakhs), on the plant and machinery and formwork placed at various sites and used for the purpose of construction. Further, these loans has been guaranteed by the personal guarantee of the directors of the Company.

b) Term loan from financial institutions carries interest ranging between 8.00% to 12.50% p.a. These loans are repayable in 24 to 180 months with structured monthly instalments ranging between ₹ 0.28 Lakhs to ₹ 11.85 Lakhs each along with interest, from the date of loan. These loans are secured by hypothecation of respective equipment's against which these loans are taken with additional mortgage/charge aggregating to an amount of ₹ 4,183.29 Lakhs (March 31, 2021 ₹ 3,801 Lakhs), on the plant and machinery placed at various sites and used for the purpose of construction. Further, these loans has been guaranteed by the personal guarantee of the directors of the Company.

c) Working capital loan from banks is secured against hypothecation of fixed assets, inventory, trade receivables, and other current assets on pari passu basis with other member banks in the consortium. The Working capital loan is repayable on demand and carries interest range between 6 Month to 1 year MCLR + 1.5% to 3.50% presently, in range of 9.50% to 11.70% p.a.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

16 Borrowings (Contd..)

d) Unsecured Loan from related parties carry interest rate of 8.15% p.a. to 12% p.a.

e) Statements/returns submitted to the banks vis-a-vis balances as per books of accounts as on the date of closing for limited review/ statutory audit

The overall difference between the statements/returns submitted to the banks is ₹ 533.26 Lakhs (derived after educting the trade payables from the total of inventory, WIP (unbilled revenue) and trade receivable) is lower than the books of account. Therefore the drawing power computed by the banks is lower. The difference is mainly on account of timing difference of the preparation and submission of statements/returns with the bank and the accounting in the books of account at the end of the quarter/year. The value excludes the amount pertaining to projects which are specifically charged to project financer.

Net debt reconciliation with cash flow statements

₹ in lakhs

Particulars	Liabilities from Financing Activities		
	Non Current borrowings (included interest accrued)	Current borrowings	Total
At March 31, 2020	**12,446.69**	**18,380.55**	**30,827.24**
Cash flow (As per statement of cash flow) (net)	43.47	(2,234.91)	(2,191.44)
Interest expense	6,777.38	-	6,777.38
Interest paid	(6,731.11)	-	(6,731.11)
At March 31,2021	**12,536.43**	**16,145.64**	**28,682.07**
Cash flow (As per statement of cash flow) (net)	5655.99	(1,606.32)	4,049.67
Interest expense	6,697.82	-	6,697.82
Interest paid	(6,231.29)	-	(6,231.29)
At March 31,2022	18,658.95	14,539.32	33,198.27

16A Lease Liability

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non-current lease liability	443.21	294.50
(b) Current lease liability	244.03	220.96
Total	687.24	**515.46**

The effective interest rate for lease liability is 11% with maturity between 2022-2027

(c) Reconciliation between total future minimum lease payments and their present value:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Total future minimum lease payments	844.28	645.23
Less: Future liability on interest account	156.60	129.77
Present value of future minimum lease payments	687.68	515.46

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

16A Lease Liability (Contd..)

(d) Year wise future minimum lease rental payments:

₹ in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total Minimum Lease payments	Present value of lease payments	Total Minimum Lease payments	Present value of lease payments
(i) Not later than one year	320.12	244.47	196.53	139.83
(ii) Later than one year but not later than five years	524.16	443.21	448.70	375.63
Total	844.28	687.68	645.23	515.46

(e) Lease liability movement

₹ in lakhs

Particulars	During the year ended March 31, 2022	During the year ended March 31, 2021
Opening balance	515.46	1,183.49
Add: Lease liability recognised during the year	-	-
Less: Lease liability derecognised during the year	-	422.09
Add: Contract assets during the year	328.66	167.95
Add: Finance cost charged during the year	90.50	134.45
Less: Lease payments during the year	246.94	548.34
Closing balance	687.68	515.46

17 Trade payables

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro enterprises and small enterprises (Refer note 35)	2,042.31	953.02
	2,042.31	953.02
Total outstanding dues of creditors other than micro enterprises and small enterprises.		
Acceptances (refer note (a) below)	12,932.29	9,766.26
Trade payables (refer note (b) below)	37,805.71	30,686.80
Trade payables to related parties	80.83	853.58
Sub Total	50,818.83	41,306.64
Total	52,861.14	42,259.66

Notes:

(a) Acceptances represent amounts payable to banks on due date as per usance period of Letter of Credit (LCs) issued to raw material vendors under non-fund based working capital facility approved by banks for the Group. The arrangements are interest-bearing with a maturity ranging from 90 to 180 days.

(b) Others includes amount payable to vendors and accrual of expenses that are expected to be settled in the Group's normal operating cycle or due to be settled within 30 to 180 days from the reporting date.

(c) For explanations on the Group's liquidity risk management processes Refer note 44 (c).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

17 Trade payables (Contd..)

Trade payable ageing schedule

As at 31 March 22

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2- 3 years	More than 3 Years	
Total outstanding due to MSME	1,928.46	47.90	44.64	21.30	2,042.30
Total outstanding due to creditors other than MSME	46,671.08	1,680.24	1,684.18	783.34	50,818.84
Disputed dues MSME	-	-	-	-	-
Disputed dues others than MSME	-	-	-	-	-
Total	48,599.54	1,728.14	1,728.82	804.64	52,861.14

As at 31 March 21

₹ in lakhs

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2- 3 years	More than 3 Years	
Total outstanding due to MSME	837.52	87.63	21.20	6.68	953.03
Total outstanding due to creditors other than MSME	36,505.55	3,688.45	951.58	161.05	41,306.63
Disputed dues MSME	-	-	-	-	-
Disputed dues others than MSME	-	-	-	-	-
Total	37,343.07	3,776.08	972.78	167.73	42,259.66

18 Other financial liabilities

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Other financial liabilities at amortized cost		
Retention money payable to others	3,382.94	2,756.00
Retention money payable to related parties	206.47	64.92
Total	3,589.41	2,820.92

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Other financial liabilities at amortized cost		
Group's share in joint ventures and associates	43.89	17.71
Interest accrued but not due on borrowings	51.62	51.62
Interest accrued on loans from directors	296.73	1.38
Interest accrued but not due on ICD taken	17.67	3.34
Interest accrued but not due on Non-Convertible Debentures	2.74	-
Creditors for capital goods/services	2,793.20	1,844.70
Employee dues	1,421.38	1,098.88
Total	4,627.23	3,017.63

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

18 Other financial liabilities (Contd..)

Terms and conditions:

- Creditors for capital goods are non-interest bearing and are normally settled on 90 to 180 day terms.
- Retention money are payable after the defect liability periods is over as per the terms of the contract.
- Long term loans maturity and interest accrued but not due are as per the terms with bank's loan sanction letter. (Refer note 16)
- Interest accrued but not due on ICDs are payable within 1 to 3 months as per the terms of loan.
- Employee dues are payable within 30 days.

19 Provisions

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for employee benefits		
Gratuity	316.34	214.82
Total	316.34	214.82

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Provision for employee benefits		
Gratuity	137.64	107.72
Leave encashment	75.98	75.53
Other provisions	31.28	36.01
Total	244.90	219.26

Movement in provisions

₹ in lakhs

Provisions	Workman Compensation	Employee Term Insurance Payable	Total
At April 01, 2021	8.35	27.66	36.01
Addition:	31.28	-	31.28
Utilised :	8.35	27.66	36.01
At March 31, 2022	31.28	-	31.28

₹ in lakhs

Provisions	Service Tax Payable	Workman Compensation	Employee Term Insurance Payable	Total
At April 01, 2020	1,158.57	8.35	12.42	12.42
Addition:	-	-	15.24	15.29
Utilised :	1,158.57	8.35	-	
At March 31, 2021	-	-	27.66	27.71

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

20 Current tax liabilities (net)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for tax	1,258.49	1,251.53
[net of advance tax ₹ 2,306.71 Lakhs (March 31, 2021 ₹ 2,305.83 Lakhs)]		
Total	1,258.49	1,251.53

21 Deferred tax liabilities (net)

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities (net)	3,509.00	3,469.92
Total	3,509.00	3,469.92

₹ in lakhs

Particulars	As at March 31, 2021	Recognised in Profit or Loss	As at March 31, 2022
Deferred tax assets in relation to:			
Provisions	1,388.50	840.64	2,229.14
Retention	1,085.31	45.02	1,130.33
	2,473.81	885.66	3,359.47
Deferred tax liabilities in relation to:			
Property, plant and equipment	4,173.51	646.79	4,820.30
Retention money	1,500.78	-	1,500.78
Impact on adoption of Ind AS 115	203.17	-	203.17
Bad Debt	-	226.80	226.80
Others	66.27	51.15	117.42
Total	5,943.73	924.74	6,868.47
Net deferred tax liabilities	3,469.92	39.08	3,509.00

₹ in lakhs

Particulars	As at March 31, 2020	Recognised in Profit or Loss	As at March 31, 2021
Deferred tax assets in relation to:			
Provisions	853.06	535.44	1,388.50
Others	-	1085.31	1,085.31
	853.06	1,620.75	2,473.81
Deferred tax liabilities in relation to:			
Property, plant and equipment	3,114.32	1,059.19	4,173.51
Retention money	1,384.82	115.96	1,500.78
Impact on adoption of Ind AS 115	203.17	-	203.17
Others	19.68	46.59	66.27
Total	4,721.99	1,221.74	5,943.73
Net deferred tax liabilities	3,868.93	(399.01)	3,469.92

* Includes effect of transfer from provision for taxes to deferred tax liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

22 Other liabilities

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Contract liabilities		
Advance from customers (refer note 36)	18,961.87	25,985.84
Deferred income	-	-
Total	18,961.87	25,985.84

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Contract liabilities		
Advance from customers (refer note 36)	20,810.13	22,835.06
Deferred income	-	-
Statutory dues	2,142.40	471.80
Total	22,952.53	23,306.86

23 Revenue from operations

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Contract revenue	1,32,168.39	87,429.96
Other operating income		
- Scrap sales	1,310.35	542.23
Total	1,33,478.74	87,972.19

24 Other income

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
(a) Interest income		
- Interest on fixed deposits	823.94	1,500.80
- Other interest income	208.17	219.44
(b) Other non operating income		
- Equipment hire charges	4.50	49.05
- Service charge income	5.04	-
- Net gain on sale or fair valuation of mutual funds	0.19	3.60
- Miscellaneous income	271.75	1,106.65
Total	1,313.59	2,879.54

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

24 Other income (Contd..)

₹ in lakhs

Net gains (losses) on fair value changes	March 31, 2022	March 31, 2021
Investments classified at FVTPL	0.19	3.60
Investments designated at FVTPL	-	-
Derivatives at FVTPL	-	-
Other Financial Instruments classified as FVTPL	-	-
Reclassification adjustments	-	-
Realised gain on debt investments classified as FVOCI	-	-
Total Net gains (losses) on fair value changes*	**0.19**	**3.60**

* Total Net gains (losses) on fair value changes include ₹ 0.19 Lakhs (March 21, 2021 ₹ 0.04 Lakhs) as 'Net gain or loss on sale of investments'.

25 Cost of material consumed

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Opening stock	10,044.86	9,105.69
Add: Purchase of material (refer note 32)	56,597.96	36,630.50
Less: Closing stock	(11,153.96)	(10,044.86)
Total	**55,488.86**	**35,691.33**

26 Construction expenses

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Labour/Subcontractor charges (refer note 32)	30,189.75	17,850.35
Electricity expenses (Site)	1,107.29	697.78
Equipment hire charges (refer note 32)	1,135.71	1,086.21
Formwork hire charges	1,479.68	944.65
Other construction expenses	3,668.40	3,945.00
Total	**37,580.83**	**24,523.99**

27 Employee benefit expenses

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Salaries, wages and bonus	10,256.22	7,405.93
Contributions to provident and other funds	261.12	239.04
Staff welfare expenses	371.75	235.78
Total	**10,889.09**	**7,880.75**

Note:

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Impact if any of the change will be assessed and accounted in period of notification of the relevant provisions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

28 Finance cost

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Interest on borrowings *	2,745.27	3,674.98
Other interest expenses	1,583.70	1,601.93
Bank guarantee commission	1,771.08	1,220.32
Bank charges	597.77	532.42
Total	6,697.82	7,029.65

* Includes ₹ 1.01 Lakhs as Interest on financial liabilities measured at amortised cost (March 31, 2021: NIL)

29 Depreciation and amortisation expenses

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipment	9,628.07	8,502.78
Depreciation of Investment properties	12.94	12.94
Amortization of intangible assets	39.82	48.71
Depreciation of right-of-use assets	200.48	451.80
Total	9,881.31	9,016.23

30 Other expenses

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Electricity charges	40.67	72.50
Rent	555.55	503.62
Rates and taxes	332.61	349.46
Insurance expenses	232.47	194.04
Repairs and maintenance of:		
Plant and machinery	215.53	182.44
CSR expenditure (refer note below)	170.42	249.91
Commission and brokerage	22.87	19.01
Legal and professional charges (refer note 32)	1,301.42	667.36
Payment to auditor (refer note below)	69.05	65.38
Advertising and sales promotion	63.25	43.28
Travelling expenses	328.60	155.29
Vehicle hiring charges	296.89	298.23
Communication costs	40.66	50.98
Impairment allowance for trade receivables	2,271.83	2,129.10
Bad debt	900.91	-
Donation	0.70	6.29
Office expenses	958.53	827.81
Printing and stationery	104.85	87.16
Miscellaneous expenses	263.77	325.86
Total	8,170.58	6,227.72

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

30 Other expenses (Contd..)

Corporate Social Responsibility expenditure

As per section 135 of the Companies Act, 2013 read with relevant rules thereon, the Company was required to spend ₹ 170.42 Lakhs (March 31, 2021 ₹ 249.91 Lakhs) on Corporate Social Responsibility (CSR) activities during FY 2021-22. Against it, the Company has adjusted an amount of ₹ 170.42 lakhs with a balance of ₹ 318.95 lakhs (March 31, 2021 ₹ 568.86 lakh) towards CSR activities. The balance excess CSR amount for FY 2021-22 of ₹ 148.53 lakhs has been carried forward to next year.

₹ in lakhs

Amount spent during the year ended March 31, 2022 on:	In Cash	(excess spent)/ yet to be paid	Total
(i) Construction of any asset	-	-	-
(ii) Purposes other than (i) above	318.95	(148.53)	170.42
Total	318.95	(148.53)	170.42

₹ in lakhs

Amount spent during the year ended March 31, 2021 on:	In Cash	(excess spent)/ yet to be paid	Total
(i) Construction of any asset	-	-	-
(ii) Purposes other than (i) above	568.86	(318.95)	249.91
Total	568.86	(318.95)	249.91

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Payment to auditors (excluding GST)		
As auditors:		
Statutory audit fees	38.55	36.75
Limited review of standalone and consolidated financial statement on quarterly basis	27.50	25.50
For Other services including certification works	3.00	3.00
Reimbursement of expenses	-	0.13
	69.05	65.38

31 Income tax

The income tax expense for the year can be reconciled to the accounting profit as follows:

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Profit before tax	6,079.68	482.06
Profit before tax considered for tax working	6,079.68	482.06
Income tax expense calculated at 25.168%	1,530.13	121.31
Add/(Less) tax effect on account of :		
Impact of new tax rate adoption		
MAT write-off	-	
Effect of Rate change due to new tax regime	-	
Other impacts		
Tax effect on permanent non deductible expenses	81.07	69.53
Adjustments of tax of earlier years		112.17
Income tax expense recognised in statement of profit and loss	1,611.20	303.01

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

31 Income tax (Contd..)

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Statement of other comprehensive income:		
Current tax related to items recognised in OCI during the year:		
In respect of current year	35.51	185.12
Income tax charged to OCI	8.94	46.59

32 During the year, following expenses are capitalised to site establishment (also refer note 3(d) on PPE)

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
Raw material consumed	4,147.53	4,696.57
Labour/Subcontractor charges	797.57	1,320.50
Equipment hire charges	-	88.86
Legal and professional charges	-	152.05
Others	11.77	25.00
Total	**4,956.87**	**6,282.98**

33 Earnings per share

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

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

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

₹ in lakhs

Particulars		March 31, 2022	March 31, 2021
Basic earnings per share			
Profit after tax as per accounts (₹ In Lakhs)	A	4,398.52	153.22
Weighted average number of equity shares outstanding	B	6,78,91,497	6,78,91,497
Basic EPS	A/B	6.48	0.23
Diluted earnings per share			
Profit after tax as per accounts (₹ In Lakhs)	A	4,398.52	153.22
Weighted average number of equity shares outstanding for diluted EPS	B	6,78,91,497	6,78,91,497
Diluted EPS	A/B	6.48	0.23
Face Value per share (₹)		10	10

34 Segment Reporting

For management purposes, the Group is organised into business units based on its services and has single reportable segments namely “Engineering, Procurement and Construction Contracts”.

The Board of directors of the Group monitors the operating results of this segment for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

35 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Based on the information available with the Company, the dues payable to micro, small and medium enterprises as defined in "The Micro, Small & Medium Enterprises Development Act, 2006" as at March 31, 2022 amounts to ₹ 2,042.31 Lakhs (March 31,2021: ₹ 953.02 Lakhs)

₹ in lakhs

Particulars	March 31, 2022	March 31, 2021
- Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2,042.31	953.02
- Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	167.25	167.25
- Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest due and payable towards suppliers registered under MSMED Act, for payments already made	167.25	106.62
- Further interest remaining due and payable for earlier years	106.62	60.62

36 Disclosure pursuant to Ind AS 115

a) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Contract assets		
Unbilled revenue		
Non-current	-	200.00
Current	58,299.09	53,911.22
Total Contract assets	**58,299.09**	**54,111.22**
Contract liabilities		
Advance from customers		
Non-current	18,961.87	25,985.84
Current	20,810.13	22,835.06
Total Contract liabilities	**39,772.00**	**48,820.90**
Receivables		
Trade receivables (gross)		
Non current	7,086.24	8,147.76
Current	46,715.79	33,553.41
Less : Impairment allowance	(7,246.90)	(4,975.07)
Net receivables	**46,555.13**	**36,726.10**
Total	**65,082.22**	**42,016.42**

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

36 Disclosure pursuant to Ind AS 115 (Contd..)

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

₹ in lakhs

Particulars	As at Mar 31, 2022	
	Contract Assets	Contract Liabilities
Opening balance (unbilled revenue)	54,111.22	48,813.91
Less : Revenue recognized during the year from balance at the beginning of the year, (net)	38,069.80	33,308.34
Add : Advance received during the year not recognized as revenue	-	24,266.43
Add : Revenue recognized during the year apart from above, (net)	42,257.67	
Closing balance	58,299.09	39,772.00

b) Transaction Price - Remaining Performance Obligation

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 Group expects to recognize these amounts in revenue. The aggregate value of performance obligations (completely or partially unsatisfied) as of March 31, 2022 is ₹ 9,77,069.92 Lakhs (excluding MHADA project), out of which, majority is expected to be recognised as revenue within a period of 18-36 months. MHADA project is a Joint venture project between Capacite Infraprojects Limited & Tata Projects Limited.

37 Contingent liabilities

₹ in lakhs

a)

Particulars	As at March 31, 2022	As at March 31, 2021
Corporate guarantee given on behalf of subsidiary Group	-	1,095.00
Bank guarantees	9,013.09	11,900.95
Provident fund	106.29	-
GST demand	4,000.17	-
Income Tax demand	3,115.04	-
Total	16,234.59	12,995.95

b) For the year 13-14 & 14-15, Company has received assessment orders under Maharashtra Value Added Tax Act,2002 (MVAT) with disallowance of input Tax Credit and Tax deducted at source amounting to ₹ 63,22,130/- and ₹ 1,15,31,314/- respectively. The Company has filed an appeal against the said orders. Pending outcome of the same, no adjustment has been made in the financial statements. The outcome of the appeal shall not result into cash outflow for the company.

c) With respect to certain matters relating to issue of shares in earlier years, the Group has made suo-moto application to Registrar of Companies (ROC) , Mumbai, for compounding of offences under Section 42, 62 read with the applicable rules thereunder of the Companies Act. The matter is still pending with the ROC, Mumbai, the impact of the same on the financial statements is not ascertainable.

d) One of the customer has encashed performance bank guarantee of ₹ 2,226.98 Lakhs during the year. This amount as been shown as "Other receivable" in Note no. 8. The company has filed a case against the customer for wrongful encashment of the guarantee. The management is confident of positive outcome of the case.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

38 Capital and other commitments

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances)		
- on Property, plant & equipment	88.77	410.70
Total	**88.77**	**410.70**

39 Disclosure pursuant to Ind AS 19 "Employee Benefits"

The Group operates one defined benefit plan viz. gratuity benefit for its employees which is funded. The gratuity benefit is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. The scheme is funded with insurance companies.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity benefit plan:

(i) Net benefit expenses (recognised in profit or loss)

₹ in lakhs

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Current service cost	111.90	113.37
Net interest cost	33.68	29.07
Net benefit expenses	**145.58**	**142.44**

(ii) Re-measurement (gain)/loss recognised in other comprehensive income

₹ in lakhs

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Actuarial loss / (gain) due to defined benefit obligation ('DBO') and assumption changes	(11.92)	(226.58)
Return on plan assets less / greater than discount rate	8.32	15.14
Actuarial losses / (gains) due recognised in OCI	**(3.60)**	**(211.44)**

(iii) The amounts recognised in the Balance Sheet are as follows:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation	589.52	534.94
Fair value of plan assets	135.53	212.40
Net Plan Liability/ (Asset)	**453.99**	**322.54**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

39 Disclosure pursuant to Ind AS 19 "Employee Benefits" (Contd..)

(iv) The changes in the present value of defined benefit obligation for Gratuity are as follows:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	534.93	564.42
Add: Service cost	111.90	113.37
Add: Interest cost	33.68	29.07
Add: Actuarial Gain on obligation arising from changes in experience adjustments	(11.92)	(38.24)
Less: Benefit paid	(79.08)	(133.69)
Closing defined benefit obligation	**589.51**	**534.93**

(v) Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance of the fair value of plan assets	212.40	343.86
Add: Interest income on plan assets	10.54	17.41
Add/(Less): Actuarial gains/(losses)	(8.32)	(15.18)
Less: Benefits paid	(79.08)	(133.69)
Closing balance of the fair value of plan assets	**135.54**	**212.40**

(vi) The Major category of plan asset as a percentage of fair value of total plan assets is as follows

₹ in lakhs

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Investments with insurer managed funds	100%	100%

(vii) Principal actuarial assumptions as at Balance Sheet date:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	6.00%	6.50%
Expected return on assets	6.50%	6.50%
Employee attrition rate	24.00%	24.00%
Salary growth rate	5.00%	5.00%

Employee attrition rate and Salary growth rate assumptions considered excluding COVID 19 period. (Years included in calculation are 16-17, 17-18, 18-19)

(viii) Sensitivity Analysis

₹ in lakhs

Particulars	For the Year Ended March 31, 2022			
Assumptions	Discount rate		Future Salary Increase	
Sensitivity Analysis	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on define benefit obligation	(19.41)	20.77	20.77	(19.76)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

39 Disclosure pursuant to Ind AS 19 "Employee Benefits" (Contd..)

₹ in lakhs

Particulars	For the Year Ended March 31, 2021			
Assumptions	Discount rate		Future Salary Increase	
Sensitivity Analysis	1% Increase	1% Decrease	1% Increase	1% Decrease
Impact on define benefit obligation	(18.08)	19.37	19.37	-18.41

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

(ix) The expected maturity analysis of undiscounted defined benefit obligation is as follows:

₹ in lakhs

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Within 1 year	137.63	97.99
Between 1 - 2 years	52.84	47.19
Between 2 - 3 years	53.88	53.77
Between 3 - 4 years	63.49	48.28
Between 4 - 5 years	50.36	47.21
Beyond 5 years	231.30	269.98

The average duration of the defined benefit plan obligation at the end of the reporting period is 15 years (March 31, 2021 - 17 years).

The contribution expected to be made by the Group during the financial period July 2022- June 23 is ₹ 169.20 Lakhs (2020-21: ₹ 173.03 Lakhs)

Compensated absences (unfunded)

In respect of Compensated absences, accrual is made on the basis of a year-end actuarial valuation. the Group has provided for compensated absences based on the actuarial valuation done as per Project Unit Credit Method. The leave obligation cover the Group's liability for earned leave. The amount of the provision of ₹ 75.98 lakh (year ended 31 March 2021: ₹ 75.53 lakh) is presented as current. The Group contributes towards has recognised ₹ 32.37 lakh (31 March 2021: ₹ 33.41 lakh) for Compensated absences in the Statement of Profit and Loss

40. Related party transactions

Names of related parties and related party relationship

Joint Venture	PPSL Capacite JV Capacite Viraj AOP
Enterprises directly or indirectly owned / significantly influenced by directors/key management personnel or their relatives.	Katyal Merchandise Pvt Ltd Capacite Engineering Private Limited Katyal Ventures Private Limited (Formerly Capacit'e Ventures) Private Limited
Associates (where transactions have taken palce during the year and previous year / balances outstanding)	TPL-CIL Construction LLP TCC Construction Pvt Ltd Captech Technologies Pvt Ltd (w.e.f. July 24, 2020)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

40. Related party transactions (Contd..)

Key Management Personnel & their relatives	Rohit Katyal – Executive Director and Chief Financial Officer Rahul Katyal – Managing Director & Chief Executive Officer (Re-designated from December 01, 2021) Varsha Malkani Group Secretary (from August 10, 2022) Subir Malhotra - Executive director Sakshi Katyal - Wife of Mr. Rohit Katyal Farah Nathani Menzies - Independent director Saroj Kumar Pati - Chief Executive Officer (Upto November 30, 2021) Sumeet Nindrajog- Non-Executive Director Siddharth Parekh- Non- Executive Director Arun Karambelkar- - Independent director (Re-appointment as from May 18, 2021) Monita Malhotra - Wife of Mr. Subir Malhotra Manjushree Nitin Ghodke- Independent Director

Related Party Transaction (including provisions and accruals)

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2022	As at March 31, 2021
Capacite Viraj AOP	Associate	Revenue	21.51	23.11
		Equipment hire charges	-	49.79
		Formwork hire charges	-	39.98
		Purchase of Material	2.00	21.58
		Other Income	-	3.72
		Subcontracting charges	-	55.64
Capacit'e Engineering Private Limited	Enterprises directly or indirectly owned / significantly influenced by directors/key management personnel or their relatives	Subcontracting charges	1,060.72	79.77
		Other construction expenses	66.35	1,474.51
		Architectural Fees	395.00	-
		Legal and professional charges	298.36	30.60
		Purchase of Material	432.34	260.08
		Interest on Intercorporate Deposits	1.40	1.39
		Other Income	-	6.33
		Security deposit	54.04	8.40
TPL-CIL Construction LLP	Associates	Other income	1,358.63	277.71
Rahul Katyal	Managing Director	Loan from director	3,240.00	-
		Loan repaid to director	823.00	11.24
		Interest on Loan (Gross)	166.74	0.50
		Directors Remuneration (refer note below)	94.20	66.92
Rohit Katyal	Director and Chief Financial Officer	Directors Remuneration (refer note below)	97.20	69.05
		Loan from director	3,220.00	-
		Loan repaid to director	679.00	30.00
		Interest Paid	-	9.69
		Interest on Loan (Gross)	161.42	10.55

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2022

40. Related party transactions (Contd..)

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2022	As at March 31, 2021
Varsha Malkani	Group Secretary	Remuneration	11.76	7.06
Subir Malhotra	Executive Director	Directors Remuneration (refer note below)	86.20	61.24
Manjushree Ghodke	Independent director	Sitting Fees	4.15	1.80
		Commission	3.00	-
Arun Karambelkar	Independent director	Sitting Fees	3.20	3.60
		Commission	3.00	3.00
Farah Nathani Menzies	Independent director	Sitting Fees	2.50	2.90
		Commission	3.00	3.00
Saroj Kumar Pati	Chief Executive Officer	Remuneration	81.70	86.42
Katyal Ventures Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Rent expenses	4.41	0.41
Mrs. Monita Malhotra	Relatives of Directors	Rent expenses	29.21	17.98
Sakshi Katyal	Relatives of Directors	Rent expenses	7.50	1.50
Katyal Merchandise Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Interest expense	15.93	11.41
		Interest paid	-	12.67
		Intercorporate deposits repaid	150.00	35.00
		Intercorporate deposits taken	150.00	30.00
Captech Technologies Private Limited	Associates	Other income	17.00	17.00
		Legal and professional charges	57.25	57.16
		Miscellaneous expenses	60.96	41.29

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Group as a whole.

Compensation of key management personnel of the Group

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Compensation including sitting fees	389.91	304.99
Total	389.91	**304.99**

Closing Balances of Related Parties (including provisions and accruals)

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Balance	As at March 31, 2022	As at March 31, 2021
PPSL Capacite JV	Joint Venture	Trade payable	6.39	6.39
Capacite Viraj AOP	Joint Venture	Trade receivables	234.01	218.93

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

40. Related party transactions (Contd..)

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Balance	As at March 31, 2022	As at March 31, 2021
Capacit'e Engineering Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Trade payable	-	652.59
		Intercorporate deposit	19.90	18.53
		Trade receivables	53.94	-
Captech Technologies Private Limited	Associate	Investment	60.40	60.40
		Trade payable	27.23	43.16
TPL-CIL Construction LLP	Associates	Trade receivables	289.01	69.26
Katyal Merchandise Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Intercorporate deposit	103.39	89.05
Katyal Ventures Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Other Payable	0.39	-
Sakshi Katyal	Relatives of Directors	Other Payable	2.03	-
Rohit Katyal	Director and Chief Financial Officer	Unsecured loan from director	2,745.70	59.42
Rahul katyal	Managing Director	Unsecured loan from director	2,567.07	-
Mrs. Monita Malhotra	Relatives of Directors	Trade payable	6.06	2.99

Note: Loans given to related party are repayable on demand. These loans carries interest at 8.15% p.a to 12% p.a.

41 Group information

Information about subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

₹ in lakhs

Name	Incorporated in	Principle activities	% Equity interest	
			March 31, 2022	March 31, 2021
CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited	India	Engineering Procurement and Construction	100%	100%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

42 Interest in Joint Ventures and Associates

The Group has a 49% interest in PPSL Capacite JV, a joint venture involved in the construction and infrastructure development in India. The Group has 70% profit/(loss) sharing in Capacite-Viraj AOP involved in the construction and infrastructure development in India. PPSL Capacite JV & Capacite-Viraj AOP are an unincorporated entities. The Group's interest in PPSL Capacite JV & Capacite-Viraj AOP is accounted for using the equity method in the consolidated financial statements.

The Group has investments in associates - 40% profit/(loss) sharing in Capacit'e Engineering Private Limited, 35% profit/(loss) sharing in TPL-CIL-LLP , 37.10% profit/(loss) in TCC Constructions Private Limited, 40% profit/(loss) in Captech Technologies Private Limited. Summarised financial information of the joint ventures, based on its Ind AS financial statements are set out below:

Summarised balance sheet of the Joint ventures as at 31 March 2022:

₹ in lakhs

Particulars	PPSL Capacite JV		Capacite-Viraj AOP	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Non-current assets				
Property, plant and equipment	-	-	188.46	315.50
Non-current tax assets (net)	-	-	11.20	12.70
Current assets				
Inventories	-	-	17.64	31.08
Financial assets				
Trade receivables	-	-	705.73	724.73
Cash and cash equivalent	1.30	1.30	0.69	27.03
Loans	-	-	1.18	1.18
Other financial assets	-	-	370.00	370.00
Other current assets	6.45	6.45	138.12	128.53
Total Assets	**7.75**	**7.75**	**1,433.02**	**1,610.74**
Equity and Liabilities				
Equity				
Other equity	7.75	7.75	(62.74)	(25.30)
Non-current liabilities				
Financial liabilities				
Other financial liabilities	-	-	20.24	18.01
Other non-current liabilities	-	-	371.31	371.31
Current liabilities				
Financial liabilities				
Trade payables	-	-	925.04	1,070.46
Other financial liabilities	-	-	19.32	22.26
Other current liabilities	-	-	159.85	154.00
Total equity and liabilities	**7.75**	**7.75**	**1,433.02**	**1,610.74**
Proportion of the Group's ownership	49%	49%	70%	70%
Carrying amount of the investment	3.80	3.80	(43.92)	(17.71)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

42 Interest in Joint Ventures and Associates (Contd..)

Summarised statement of profit and loss of Joint Ventures

₹ in lakhs

Particulars	PPSL Capacite JV		Capacite-Viraj AOP	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Contract revenue	-	-	49.34	1,022.15
Cost of raw material consumed	-	-	(9.31)	(381.13)
Construction expenses	-	-	(56.07)	(504.16)
Employee benefits expense	-	-	(15.15)	(78.10)
Finance costs	-	-	(0.16)	(0.05)
Depreciation and amortization expenses	-	-	-	(12.82)
Other expenses	-	-	(6.08)	(58.39)
Profit before tax	-	-	(37.43)	(12.50)
Tax expenses	-	-	-	-
Profit/(Loss) for the year	-	-	(37.43)	(12.50)
Group's share of profit/(loss) for the year	-	-	(26.17)	(8.75)

The Group had no contingent liabilities or capital commitments relating to its share in PPSL Capacite JV & Capacite-Viraj AOP as at March 31, 2022 and March 31, 2021.

43 Statutory Group Information

₹ in lakhs

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Capacit'e Infraprojects Limited								
Balance as at March 31, 2022	100%	97,012.46	102%	4,468.48	100%	26.57	102%	4,495.05
Balance as at March 31, 2021	100%	92,502.16	108%	179.05	100%	112.40	105%	291.45
Subsidiaries(Indian)								
CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited								
Balance as at March 31, 2022	0%	395.42	0%	4.16	0%	-	0%	4.16
Balance as at March 31, 2021	0%	406.42	-1%	(1.55)	0%	-	-1%	(1.55)
Joint Ventures (investment as per equity method)								
PPSL Capacite JV								
Balance as at March 31, 2022	0%	3.80	0%	-	0%	-	0%	-
Balance as at March 31, 2021	0%	3.80	0%	-	0%	-	0%	-
Capacite Viraj AOP								
Balance as at March 31, 2022	0%	(43.92)	-1%	(26.17)	0%	-	-1%	(26.17)
Balance as at March 31, 2021	0%	(17.71)	-5%	(8.75)	0%	-	-3%	(8.75)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

43 Statutory Group Information (Contd..)

₹ in lakhs

Name of the entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Associates (investment as per equity method)								
TCC Construction Private Limited								
Balance as at March 31, 2022	0%	(25.73)	0%	(4.64)	0%	-	0%	(4.64)
Balance as at March 31, 2021	0%	(21.09)	-4%	(6.90)	0%	-	-2%	(6.90)
TPL-CIL Construction LLP								
Balance as at March 31, 2022	0%	(15.19)	0%	(4.41)	0%	-	0%	(4.41)
Balance as at March 31, 2021	0%	(10.74)	0%	(0.43)	0%	-	0%	(0.43)
Captech Technologies Private Limited								
Balance as at March 31, 2022	0%	(34.51)	-1%	(38.89)	0%	-	-1%	(38.89)
Balance as at March 31, 2021	0%	4.38	3%	4.38	0%	-	2%	4.38
Total								
Balance as at March 31, 2022	100%	97,292.34	100%	4,398.52	100%	26.57	100%	4,425.09
Balance as at March 31, 2021	**100%**	**92,867.25**	**100%**	**165.80**	**100%**	**112.40**	**100%**	**278.20**

44 Significant accounting judgements, estimates and assumptions

The preparation of the Group's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

A) Significant Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statements:

i) Operating lease commitments – Group as lessee

The Group has entered into leases for office premises. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the office premises and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these roperties and accounts for the contracts as operating leases.

ii) Taxes

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the same can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer note 31 for further disclosures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

44 Significant accounting judgements, estimates and assumptions (Contd..)

iii) Revenue Recognition

The Group recognises revenue and profit/loss on the basis of stage of completion based on the proportion of contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue and profit/loss therefore rely on estimates in relation to total estimated costs of each contract. Cost contingencies are included in these estimates to take into account specific uncertain risks, or disputed claims against the Group, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the contract life and adjusted where appropriate The revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognised when the recovery of such consideration is highly probable.

B) Estimates and assumptions

Key sources of estimation

The preparation of the financial statements in conformity with Ind AS requires that the management of the Group makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, allowance for expected credit loss, future obligations in respect of retirement benefit plans, expected cost of completion of contracts, provision for rectification costs, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to guarantees given by the Group. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

ii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 40.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

44 Significant accounting judgements, estimates and assumptions (Contd..)

iii) Cost to complete

For assessing onerous contracts the Group is required to estimate the costs to complete of each contract. Survey of work done have been used to measure progress towards completion as there is a direct relationship. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

iv) Expected credit loss (ECL)

The Group has used an internal rating based approach in building its ECL model, using its own internal estimates for some or all of the credit risk components such as the Probability of Default ("PD"), Loss Given Default ("LGD") and Effective Maturity ("M"). Each of these elements are critical estimates in the measurement of impairment on such financial assets.

45 Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in accounting policies, to the financial statements.

(A) Fair Values:

The following tables presents the carrying amount and fair value of each category of financial assets and liabilities as at March 31, 2022 & March 31, 2021

As at March 31, 2022

₹ in lakhs

Particulars	Level	Fair value through statement of profit and loss account	Amortised cost	Total carrying value	Total fair value
Financial assets					
Investments*	Level 2	8.50	-	8.50	8.50
Trade receivables		-	46,555.13	46,555.13	46,555.13
Cash and cash equivalent		-	2,211.30	2,211.30	2,211.30
Bank balances other than cash and cash equivalent		-	16,176.82	16,176.82	16,176.82
Loans		-	1,300.00	1,300.00	1,300.00
Other Financial Assets		-	66,640.66	66,640.66	66,640.66
Total		**8.50**	**1,32,883.91**	**1,32,892.41**	**1,32,892.41**
Financial Liabilites					
Borrowings (including current maturities)		-	32,829.51	32,829.51	32,829.51
Trade payables		-	52,861.14	52,861.14	52,861.14
Lease liabilities		-	687.24	687.24	687.24
Other financial liabilities		-	8,216.64	8,216.64	8,216.64
Total		**-**	**94,594.53**	**94,594.53**	**94,594.53**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

45 Disclosures on Financial instruments (Contd..)

As at March 31, 2021

₹ in lakhs

Particulars	Level	Fair value through statement of profit and loss account	Amortised cost	Total carrying value	Total fair value
Financial assets					
Investments*	Level 2	40.94	-	40.94	40.94
Trade receivables		-	36,726.10	36,726.10	36,726.10
Cash and cash equivalent		-	983.65	983.65	983.65
Bank balances other than cash and cash equivalent		-	14,638.60	14,638.60	14,638.60
Loans		-	1,300.00	1,300.00	1,300.00
Other Financial Assets		-	67,066.35	67,066.35	67,066.35
Total		**40.94**	**1,20,714.70**	**1,20,755.64**	**1,20,755.64**
Financial Liabilites					
Borrowings		-	28,627.11	28,627.11	28,627.11
Trade payables		-	42,259.66	42,259.66	42,259.66
Lease liabilities		-	515.46	515.46	515.46
Other financial liabilities		-	5,838.55	5,838.55	5,838.55
Total		**-**	**77,240.78**	**77,240.78**	**77,240.78**

*Excludes Group companies investments ₹ 69.41 Lakhs (March 21, 2021 ₹ 117.36 Lakhs) measured at cost. Refer Note 6.

Fair value of financial assets and financial liabilities measured at amortised cost:

The carrying amounts of trade receivables, loans, advances and cash and other bank balances are considered to be the same as their fair values due to their short term nature. The carrying amounts of long term loans given with floating rate of interest are considered to be close to the fair value.

The carrying amounts of trade and other payables are considered to be the same as their fair values due to their short term nature. The carrying amounts of borrowings with floating rate of interest are considered to be close to the fair value

46 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

46 Capital Management (Contd..)

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings (i)	32,829.51	28,627.11
Less: Cash and cash equivalents	2,211.30	983.65
Net debt	**30,618.21**	**27,643.46**
Total Capital (ii)	97,292.34	92,867.25
Capital and Net Debt	**1,27,910.55**	**1,20,510.71**
Net debt to Total Capital plus net debt ratio (%)	23.94%	22.94%

(i) Debt is defined as long-term borrowings (including current maturities) and short-term borrowings.

(ii) Equity is defined as equity share capital and other equity including reserves and surplus.

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 loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

47 Financial risk management objectives and policies

The Group's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents, other bank balances and other financial assets that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by a risk committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified measured and managed in accordance with the Group's policies and risk objectives.The Board of directors reviews and agrees policies for managing each of these risks, which are summarised below:

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings.

a) 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 Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

47 Financial risk management objectives and policies (Contd..)

b) Interest rate sensitivity:

The sensitivity analysis below have been determined based on exposure to interest rates for long-term debt obligations with floating interest rates at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of term loans that have floating rates:

₹ in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Increase in basis points	+50	+50
Effect on profit before tax	(153.64)	(148.61)
Decrease in basis points	(50)	(50)
Effect on profit before tax	153.64	148.61

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group only deals with parties which has good credit rating/ worthiness given by external rating agencies or based on companies internal assessment.

The Group's customer profile includes mainly large private corporates. The Group's average project execution cycle is around 36 to 48 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 90 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank/corporate guarantees. The Group has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

The Group has not acquired any credit impaired asset. There was no modification in any financial assets.

Non certification of works billed

The costs incurred on projects are regularly monitored through the Project budgets. Costs which are incurred beyond the agreed terms and conditions of the contract, would be claimed from the customer, based on the actual works performed. The realisability of such claims, is verified by professionals, who certify the tenability of such claims and also the collectible amounts, by applying appropriate probabilities. Costs, which are identified as non tenable or costs beyond the collectible amounts, as mentioned above, would be provided in the books of accounts.

Set out below the information about the credit risk exposure of the group company's trade receivable using provision matrix:-

₹ in lakhs

At March 31, 2022	< 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	Total
ECL Rate	0.70%	1.70%	22.60%	35.10%	41.10%	
Estimated total gross carrying amount at default	29,161.68	5,003.93	3,706.68	7,192.22	8,737.52	53,802.03
ECL specified approach	204.17	86.62	836.69	2,525.39	3,594.03	7,246.90
Net carrying amount	**28,957.51**	**4,917.31**	**2,869.99**	**4,666.83**	**5,143.49**	**46,555.13**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

47 Financial risk management objectives and policies (Contd..)

₹ in lakhs

At March 31, 2021	< 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	Total
ECL Rate	0.40%	12.20%	14.00%	31.20%	21.50%	
Estimated total gross carrying amount at default	17,198.82	2,806.10	10,393.83	6,910.02	4,392.40	41,701.17
ECL specified approach	75.17	341.67	1,459.56	2,152.84	945.83	4,975.07
Net carrying amount	**17,123.65**	**2,464.43**	**8,934.27**	**4,757.18**	**3,446.57**	**36,726.10**

Reconciliation of impairment allowance on trade and other receivables

Particulars	₹ Lakhs
Impairment allowance as on April 1, 2020	**2,845.97**
Add/ (Less): provision on expected credit loss	2,129.10
Impairment allowance as on April 1, 2021	**4,975.07**
Add/ (Less): provision on expected credit loss	3,172.74
(Less): Bad debt written off	(900.91)
Impairment allowance as on March 31, 2022	7,246.90

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

₹ in lakhs

Particulars	On demamd	Within 12 months	After 12 months	Total
Year ended March 31, 2022				
Borrowings (including current maturities)	9,570.39	9,522.52	13,736.60	32,829.51
Other financial liablities	-	4,627.23	3,589.41	8,216.64
Lease liabilities	-	244.03	443.21	687.24
Trade payables	-	52,861.14	-	52,861.14
	9,570.39	67,254.92	17,769.22	94,594.53
Year ended March 31, 2021				
Borrowings (including current maturities)	13,723.53	6,669.79	8,233.79	28,627.11
Other financial liablities	-	3,017.63	2,820.92	5,838.55
Lease liabilities		220.96	294.50	515.46
Trade payables	-	42,259.66	-	42,259.66
	13,723.53	**52,168.04**	**11,349.21**	**77,240.78**

48 Significant event after the reporting period

There were no significant adjusting event that accrued subsequent to the reporting period which may require an adjustment to the balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

49 Estimation of uncertainties relating to the global health pandemic from COVID-19

The Corona Virus (COVID-19) had some impact on the operation of the Group during the current financial year. The Group has considered internal and external source of information upto the date of approval of consolidated financial statements in the preparation of the financial statements

50 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Impact if any of the change will be assessed and accounted in period of notification of the relevant provisions.

51 Ratio

Ratio	Numerator	Denominator	31-Mar-2022	31-Mar-2021	% Change	Remark
a) Current ratio	Current Assets	Current Liabilities	1.445	1.371	5%	
b) Debt equity ratio	Total Debt	Share Holder's Equity	0.337	0.308	9%	
c) Debt service coverage ratio	Earnings of Debt service= Net profit after tax + non cash expenses	Debt service= Interest and lease payment+ Principal repayment	2.396	1.790	34%	Increase due to increase in PAT of ₹ 4,398.52 Lakhs Vis-à-vis ₹ 153.22 lakhs in the year 20-21
d) Return on equity	Net profit after tax	Average share holder's equity	0.046	0.002	2700%	Increase in the ratio is due to increase in PAT in 2021-22 ₹ 4,398.52 Lakhs Vis-à-vis ₹ 153. 22 lakhs in the year 20-21
e) Inventory turnover ratio	Cost of goods sold	Average inventory	8.781	5.887	49%	Ratio increased due to increase in COGS F.Y 2021-22 ₹ 93,069.69 Lakhs vis-à-vis ₹ 60,215.32 for F.Y 2020-21 as the turnover of the current year increase to ₹ 1,33,478 Lakhs vis-a-vis ₹ 87,972 Lakhs of FY 20-21.
f) Trade receivable turnover ratio	Net Credit sale= Gross credit sale - sale return	Average trade receivable	3.205	2.095	53%	Ratio increased due to turnover of the current year increase to ₹ 1,33,478 for F.Y. 2021-22 vis-à-vis ₹ 87,972 Lakhs of FY20-21.
g) Trade payable turnover ratio	Net Credit purchases= Gross credit purchases - purchase return	Average trade payable	1.980	1.245	59%	Increased due to increase in net credit purchases. For 21-22 the net credit purchases is ₹ 94,178.79 lakhs vis-à-vis ₹ 61,154.49 which resulted in increase in the ratio in the current year.
h) Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current Assets - Current Liabilities	2.963	2.614	13%	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

51 (Contd..)

Ratio	Numerator	Denominator	31-Mar-2022	31-Mar-2021	% Change	Remark
i) Net profit ratio	Net profit	Net sales = Total sales - sales return	0.033	0.002	1792%	Increase due to increase in PAT of ₹ 4,398.52 Lakhs Vis-à-vis ₹ 153.22 lakhs in the year
j) Return on capital employed	Earning before interest & tax	Capital employed = Tangible net worth + total debt - deferred tax liability	0.066	0.032	104%	Increase due to increase in PAT of ₹ 4,398.52 Lakhs Vis-à-vis ₹ 153.22 lakhs in the year
k) Return on investments	Income generated from investment fund	Average investment in treasury investments	0.008	0.073	(89%)	The income is not material to the company. The income generated from sale of investment is ₹ 0.19 Lakhs in 21-22 vis - vis ₹ 3.6 Lakhs in the year 2020-21. Consequently the investment value has gone down.

52 Other statutory informations

(i) The Group do not have any Benami property where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami

(ii) The Group do not have any transaction with companies struck - off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

(iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group have not traded of invested in Crypto currency or Virtual currency during the financial year.

(v) The Group have not advanced or loaned or invested fund to any other person (s) or entity (ies), including foreign entities (intermediaries) with the understanding that intermediary shall :

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

   (b) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Group have not received any fund from any person (s) or entity (ies), including foreign enteties (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

   (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (b) provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2022

52 Other statutory informations (Contd..)

(vii) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).

The Group has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act 2013 for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

53 Retained earnings of earlier years is adjusted to the extent of ₹ 14.90 lakhs, on account of one of the joint venture entity which was wound up in the earlier year

54 Previous year figures

The figures for the corresponding previous year have been regrouped / reclassified whenever necessary, to make them comparable.

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per **Jayesh Gandhi**
Partner
Membership No : 37924

Place: Mumbai
Date: May 27, 2022

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Varsha Malkani
Group Secretary

NOTICE

NOTICE is hereby given that the 10th Annual General Meeting of the Members of **CAPACIT'E INFRAPROJECTS LIMITED** ("the Company") will be held on Monday **26th Day of September, 2022 at 11.30 A.M.** through Video Conference ("VC") / Other Audio Visual Means ("OAVM") to transact the following business

A. ORDINARY BUSINESS:

1. **To consider and adopt:**

   (a) the audited standalone financial statements of the Company for the financial year ended March 31, 2022 together with the reports of the Auditor's thereon and Board of Directors; and

   (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2022 together with the reports of the Auditor's thereon.

2. **To appoint a Director in place of Mr. Rohit Ramnath Katyal, Executive Director having DIN: 00252944, who retires by rotation in terms of Section 152 (6) of the Companies Act, 2013 at this Annual General Meeting, and being eligible, offers himself for re-appointment.**

B. SPECIAL BUSINESS:

3. **Re-appointment of Mr. Rahul Ramnath Katyal (DIN: 00253046), as Managing Director:**

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Article 88 of Articles of Association of the Company and Regulation 17 and other applicable regulations of the SEBI Listing Regulations, as amended from time to time and pursuant to the recommendation of the Nomination & Remuneration Committee and Board of Directors, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Rahul Ramnath Katyal (DIN: 00253046), as Managing Director of the Company for a further period of 3 years with effect from September 4, 2022 to September 3, 2025, subject to the payment of salary, commission and perquisites (hereinafter referred to as "remuneration"), upon the terms and conditions as may be approved and with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed to between the Board of Directors and Mr. Rahul Ramnath Katyal, subject to the ceiling on remuneration of ₹ 3.00 Crores (Rupees Three Crores) per annum.

   RESOLVED FURTHER THAT the remuneration payable to Mr. Rahul Ramnath Katyal, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other rules as may be prescribed from time to time.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds, things and matters as they may consider necessary, expedient or desirable for giving effect to the foregoing resolution."

4. **Ratification of remuneration payable to M/s Y R Doshi & Associates, Cost Auditor of the Company:**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹1,70,000/- (Rupees One Lakh Seventy Thousand only) plus applicable taxes thereon and reimbursement of out-of-pocket expenses at actuals as approved by the Board of Directors based on the recommendations of Audit Committee of the Company, to be paid to M/s. Y. R. Doshi & Associates, Cost Accountants (Firm Registration No. 000286), Cost Auditor appointed by the Board of Directors of the Company for conducting audit of the cost records for the financial year ending March 31, 2023 be and is hereby ratified."

5. **Approval for Material Related Party Transactions with TPL-CIL Construction LLP**

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

"**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("Act") and the rules framed thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), other applicable statutory provisions and regulations, if any, as amended from time to time including any statutory modification(s) or re-enactment(s) thereof, the Memorandum and Articles of Association of the Company, the Company's Policy on Related Party Transactions, basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded for entering into / undertaking various transaction(s) by the Company with TPL-CIL Construction LLP (a "Related Party" within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations) for an value of ₹ 1474 crore including GST (Rupees One Thousand Four Hundred Seventy Crore only) for a period effective from April, 2022 till March, 2025 in the ordinary course of business of the Company and at arm's length basis in accordance with the provisions of Section 177, 188 and other applicable provisions, if any, of the Act and the rules made thereunder on such terms and conditions as detailed in the explanatory statement to this Resolution, and as may be mutually agreed between the Company and TPL-CIL Construction LLP;

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as "Board", which term shall include any duly authorized Committee constituted by the Board), be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this after resolution".

By order of the Board of Directors

Varsha Malkani
Company Secretary & Compliance Officer
Membership No. ACS 42637

Registered Office:
605-607, 6th Floor,Shrikant Chambers, Phase – I,
Adjacent to R K Studios,
Sion-Trombay Road, Chembur, Mumbai – 400071,
Maharashtra, India

Place: Mumbai
Date: August 09, 2022

Notes:

1. In terms of the General Circulars No. 20/2020 dated May 05, 2020 read with General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020 and General Circular No. 02/2021 dated January 13, 2021 and General Circular No.2/2022 dated May 05, 2022 (collectively referred to as "MCA Circulars") issued by the Ministry of Corporate Affairs ("MCA") read with Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular number SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular number SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India ("SEBI") (hereinafter collectively referred to as "the Circulars"), companies are permitted to conduct the Annual General Meeting through Video Conferencing / Other Audio Visual Means ("VC" / "OAVM") without the physical presence of members at a common venue. Hence, in accordance with the Circulars, provisions of the Companies Act, 2013 ("the Act"), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Annual General Meeting ("AGM") of the members of the Company is being held through VC /OAVM on Monday, September 26, 2022 at 11.30 a.m. (IST). The venue of the meeting shall be deemed to be the Registered Office of the Company.

2. The Explanatory Statement pursuant to the provisions of Section 102(1) of the Act read with the relevant rules made thereunder, setting out the material facts concerning the business mentioned in the accompanying Notice is annexed and forms part of this Notice. The Board of Directors of the Company at its meeting held on August 09, 2022 considered that the special business being considered unavoidable, be transacted at the eAGM of the Company.

3. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM.

4. Since the AGM will be held through VC/OAVM facility, the attendance slip, proxy form and Route Map are not annexed to this Notice.

5. Pursuant to the provisions of Section 113 of the Act, representatives of the Corporate Members may be appointed for the purpose of voting through remote e-voting or for participation and voting at the AGM through e-voting facility.

6. The Company has appointed M/s. KFin Technologies Limited, Registrars and Share Transfer Agent of the Company (hereinafter called "KFintech"), for conducting the AGM and for voting through remote e-voting or through e-voting at the AGM. The procedure for participating in the meeting through VC/ OAVM is explained in this notes and is also available on the website of the Company at www.capacite.in.

7. In line with the MCA Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM have been uploaded on the website of the Company at www.capacite.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and is also available on the website of KFintech i.e. e-voting agency at https://evoting.kfintech.com.

8. Pursuant to the provisions of the MCA Circulars on convening AGM through VC / OAVM:

   Members can attend the meeting through log in credentials provided to them to connect to Video Conference. Physical attendance of the Members at the Meeting venue is not required.

   a. Facility for appointment of proxy to attend and cast vote on behalf of the member is not available.

   b. Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

9. The facility to join the meeting shall be opened 15 minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM. The meeting may be joined by following the procedure mentioned in this Notice.

10. Members may note that the VC/OAVM facility, provided by KFintech, allows participation of at-least 1,000 Members on a first-come-first-served basis ("FIFO"). The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the AGM without any restriction on account of FIFO principle.

11. The attendance of the Members (members logins) attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

12. Remote e-voting: Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, Secretarial Standard on General Meetings ("SS-2") issued by the ICSI and Regulation 44 of the Listing Regulations, as amended read with circular of SEBI on e-voting facility provided by Listed entities and the MCA Circulars, the Company is providing facility to its Members to exercise their right to vote on the resolutions proposed to be passed at the AGM through remote e-voting facility being provided by KFintech.

13. Voting at the e-AGM: Members who could not vote through remote e-voting may avail the e-voting facility which will be made available at the Meeting ("e-voting"), facility to be provided by KFintech.

14. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

15. The institutional members are encouraged to attend and vote at the AGM.

16. SEBI has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent ("RTA"). The Company had earlier already sent notices to the shareholders through the RTA for submission of their PAN and Bank Account details for registration / updation.

17. Securities of listed companies would be transferred in dematerialized form only w.e.f. April 1, 2019. In view of the same, Members holding shares in physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company's RTA for assistance in this regard.

18. CS Shreyans Jain of M/s. Shreyans Jain & Co. Company Secretaries, Practicing Company Secretaries have been appointed as the Scrutinizer to scrutinize the remote e-voting process and casting vote through the e-Voting (instapoll) system during the meeting in a fair and transparent manner.

19. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by him/her in writing, who shall countersign the same.

20. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company i.e. www.capacite.in and on the website of KFintech at https://evoting.kfintech.com immediately after the declaration of result by the Chairperson or any person authorized by him/her in writing and the same shall be communicated to the BSE Limited and the National Stock Exchange of India Limited. The result will also be displayed on the Notice Board of the Company at its Registered Office. The resolutions, if passed by requisite majority, shall be deemed to have been passed on the date of the AGM i.e. September 26, 2022.

21. The relevant documents referred to in this Notice and the Explanatory Statement will be available for inspection electronically without any fees by the Members . Members seeking to inspect such documents can send an email to compliance@capacite.in

22. The Company has designated an exclusive Email ID compliance@capacite.in for redressal of shareholders complaints/grievances. For any investor related queries, you are requested to please write to us at the above Email ID.

Procedure for obtaining the AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the depositories or with RTA on physical folios:

On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, the Company has sent the Notice of AGM and e-voting instructions only in electronic form to the registered email addresses of the shareholders whose email addresses are registered with the Company / Depositories. Therefore, those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

1. Those shareholders who have registered/not registered their mail address and mobile number including address and bank details may please contact and validate/update their details with the relevant Depository Participant in case of shares held in electronic form and with the Company's Registrar and Share Transfer Agent M/s. KFintech, in case the shares held in physical form.

2. Shareholders who have not registered their mail address and in consequence the Notice of AGM and e-voting notice could not be serviced may temporarily get their email

address and mobile number provided with the Company's Registrar and Share Transfer Agent, KFintech, by clicking the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx for sending the same. Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, shareholder may write to einward.ris@kfintech.com.

3. Shareholders may also visit the website of the company www.capacite.in or the website of the Registrar and Transfer Agent https://evoting.kfintech.com for downloading the Notice of the AGM.

4. Alternatively member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of Share Certificate in case of physical folio for sending the Notice of AGM and the e-voting instructions.

Instructions for the Members for attending the AGM through Video Conference:

1. Member will be provided with a facility to attend the AGM through video conferencing platform provided by M/s KFin Technologies Limited. Members may access the same at https://emeetings.kfintech.com under shareholders/members login by using their remote evoting credentials. The link for AGM will be available in shareholder/members login where the EVENT and the name of the Company can be selected. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned as below.

   a. Launch internet browser (chrome/firefox/safari) by typing the URL: https://emeetings.kfintech.com

   b. Enter the login credentials (i.e. User ID and password)

   c. After logging in, click on "Video Conference" option

   d. Then click on camera icon appearing against the AGM event of the Company to attend the meeting

2. Members are encouraged to join the Meeting through Laptops with Google Chrome for better experience.

3. Further, Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Members, who would like to express their views or ask questions during the AGM, need to register themselves as a speaker by clicking on the 'Speaker Registration' option available on the screen after login at https://emeetings.kfintech.com. The Speaker Registration option will be open from September 21, 2022 at 9.00 A.M. and closed on September 23, 2022 at 5.00 P.M. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon the availability of time for the AGM. Members may also send their request from their registered email address mentioning their name, DP ID and Client ID number/Folio number and mobile number, to reach the Company's email address compliance@capacite.in at-least 48 hours in advance before the start of the AGM i.e. by September 23, 2022.

Instructions for members for remote e-Voting

1. **The Remote e-voting period commences on September 22, 2022** (9:00 A.M. IST) **and ends on September 25, 2022** (5:00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on **September 19, 2022** (hereinafter called as the "**Cut-off Date**"), may cast their votes electronically.

2. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

   I) Remote e-voting: Information and Instructions

   - INFORMATION AND INSTRUCTIONS FOR REMOTE E-VOTING BY AN INDIVIDUAL SHAREHOLDER, HOLDING SHARES IN ELECTRONIC / DEMAT

     As per the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode can cast their vote, by way of a single login credential, through their demat accounts / websites of Depositories /Depository Participants.

     Shareholders are therefore advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

The procedure to login and access the remote e-voting, as devised by the Depositories /Depository Participant(s) is given below:

National Securities Depository Limited (NSDL)	Central Depository Services (India) Limited (CDSL)
1. User already registered for IDeAS facility: ** I. URL: https://eservices.nsdl.com II. Click on the "**Beneficial Owner**" icon under '**IDeAS**' section. III. On the new page, enter existing User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. **2. User not registered for IDeAS e-Services** I. To register click on link : https://eservices.nsdl.com (Select "**Register Online for IDeAS**") or https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp II. Proceed with completing the required fields. **(Post registration is completed , follow the process as stated in point no.1 above) **3. First time users can visit the e-Voting website directly and follow the process below:** I. URL: https://www.evoting.nsdl.com/ II. Click on the icon "**Login**" which is available under '**Shareholder/Member**' section. III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.	**1. Existing user who have opted for Easi / Easiest **** I. URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with user id and password. IV. Option will be made available to reach e-Voting page without any further authentication. V. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. **(Post registration is completed , follow the process as stated in point no.1 above) **3. First time users can visit the e-Voting website directly and follow the process below:** I. URL: www.cdslindia.com II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP where the e- Voting is in progress. V. Click on company name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Individual Shareholders (holding securities in demat mode) can login through their depository participants.

Individual Shareholders (holding securities in demat mode) can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available on the websites of Depositories / Depository Participants.

Members facing any technical issue – NSDL website	Members facing any technical issue – CDSL website
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: **1800 1020 990** and **1800 22 44 30**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at **022-23058738** or **22-23058542-43.**

- INFORMATION AND INSTRUCTIONS FOR REMOTE E-VOTING BY SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERS, HOLDING SHARES IN ELECTRONIC / DEMAT MODE AND ALL SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE

  (A) In case a Member receives an email from Kfintech [for Members whose email IDs are registered with the Company/Depository Participants (s):

  1. Launch internet browser by typing the URL: https://evoting.kfintech.com.

  2. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) ---------- followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFin Technologies for e-voting, you can use your existing User ID and password for casting your vote.

  3. After entering these details appropriately, click on "LOGIN".

  4. You will now reach password change Menu wherein you are required to mandatorily change your password upon logging in for the first time. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential**.

  5. You need to login again with the new credentials.

  6. On successful login, the system will prompt you to select the "EVENT" i.e., 'Name of the Company"

  7. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as on the Cut-off Date. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

  8. Members holding multiple folios/ demat accounts shall choose the voting process separately for each folio/demat accounts.

  9. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

  10. You may then cast your vote by selecting an appropriate option and click on "SUBMIT".

  11. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed

to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

12. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the latest Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email shreyanscs@gmail.com with a copy marked to einward.ris@kfintech.com and evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format "**Corporate Name_Event No.**"

(B) In case of a Member whose email IDs are not registered /updated with the Company/ KFintech / Depository Participants (s):

1. Members holding shares in physical mode, who have not registered /updated their email addresses are requested to register / update the same with the Company's Registrar and Share Transfer Agent, KFintech, by clicking the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx. Alternatively member may send an e-mail request at the email id einward.ris@kfintech.com along with scanned copy of the signed request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of Share Certificate in case of physical folio.

2. Members holding shares in dematerialized mode who have not registered /updated their email addresses with their Depository Participants are requested to register / update their email addresses with the Depository Participants with whom they maintain their demat accounts.

3. After due verification, KFintech will forward your login credentials to your registered email address.

4. Follow all the instructions at Sr. No. 1 to 12 as mentioned in I.(A). above, to cast your vote.

(C) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the Cut-off Date for e-voting i.e., September 19, 2022, he/she may obtain the User ID and Password in the manner as mentioned below :

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

   Example for NSDL:
   MYEPWD <SPACE> IN12345612345678

   Example for CDSL:
   MYEPWD <SPACE> 1402345612345678

   Example for Physical:
   MYEPWD <SPACE> XXXX1234567890

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com , the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Member may call KFin Technologies's toll free number 1800-309-4001 (from 9.00 a.m. to 5.00 p.m.).

Instructions for members for e-Voting during the AGM session:

1. Only those Members/ shareholders, who will be present in the AGM through Video Conference facility and have not casted their vote through remote e-voting are eligible to vote through e-voting during the AGM.

2. However, members who have voted through remote e-voting will be eligible to attend the AGM.

OTHER INSTRUCTIONS

1. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the Cut-off Date i.e. September 19, 2022 only shall be entitled to avail the facility of remote e-voting or for participation at the AGM and e-voting thereat.

2. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFin Technologies Website) or contact Mr. S V Raju of KFin Technologies Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032 at 1800 309 4001 (Toll Free).

   You can also update your mobile number and e-mail id in the user profile details to get e-voting confirmation and which may be used for further communications.

By order of the Board of Directors

Varsha Malkani
Company Secretary & Compliance Officer
Membership No. ACS 42637

Registered Office:
605-607, 6th Floor,Shrikant Chambers, Phase – I,
Adjacent to R K Studios,
Sion-Trombay Road, Chembur, Mumbai – 400071,
Maharashtra, India

Place: Mumbai
Date: August 09, 2022

Explanatory Statement

(pursuant to Section 102 of the Companies Act, 2013)

As required under Section 102 of the Companies Act, 2013 ("Act"), the following explanatory statement sets out all material facts relating to business mentioned under Item Nos. 3 to 5 of the accompanying Notice;

ITEM NO. 3

In the 5th Annual General Meeting held on June 30, 2017, Mr. Rahul R. Katyal had been appointed as Managing Director of the Company w.e.f September 4, 2017 for a period of 5 years pursuant to the approval of members. The term of office of Mr. Rahul R. Katyal as Managing Director of the Company is due to expire on September 3, 2022. The present proposal is to seek the Shareholders' approval for the re-appointment of Mr. Rahul R. Katyal as the Managing Director in terms of the applicable provisions of the Companies Act, 2013. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company (the 'Board'), at its meeting held on August 09, 2022 has, subject to the approval of the Shareholders, approved reappointment of Mr. Rahul Katyal for a further period of 3 years from September 4, 2022.

The main terms and conditions of remuneration of Mr. Rahul R. Katyal are as under:

1. **Remuneration**

   Remuneration of Mr. Rahul R. Katyal will be so fixed by the Board of Directors from time to time after taking into account the recommendations of the Nomination & Remuneration Committee, such that the salary and the aggregate value of all perquisites and allowances like furnished accommodation or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings and repairs; bonus; medical reimbursement, club fees and leave travel concession for himself and his family, medical insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and Mr. Rahul R. Katyal, shall not exceed the overall ceiling on remuneration approved by the Members in General Meeting. Your Directors have recommended a ceiling on remuneration of ₹ 3,00,00,000/- (Rupees Three Crore only) per annum.

   For the purposes of calculating the above ceiling, perquisites shall be evaluated as per Income Tax Act, 1961 wherever applicable. In the absence of any such provision in the Act, perquisites shall be evaluated at actual cost.

   Provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.

   Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, 1961, Gratuity payable as per the rules of the Company and encashment of leave at the end of his tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

   Mr. Rahul R. Katyal satisfies all the conditions set out in Part – I of Schedule V to the Companies Act, 2013 (including any amendments thereto) as also the conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for re-appointment, and has submitted to the Company his consent for re-appointment.

   Disclosures under Regulation 36(3) of the SEBI Listing Regulations, 2015 and SS-2 issued by the Institute of Company Secretaries of India are set out in the Annexure – A to the Explanatory Statement. Additional Information relating to his appointment pursuant to Section II, Part II of Schedule V of the Companies Act, 2013 are set out in the Annexure – B to the Explanatory Statement.

2. **Minimum Remuneration:**

   The terms and conditions of the remuneration in the event of any inadequacy or absence of profits during the financial year, the aforementioned remuneration approved herein be continued to be paid as minimum remuneration.

   All other existing terms and conditions pursuant to designation, role, duties, responsibilities with respect to the appointment shall remain unchanged.

   Pursuant to Regulation 17(6)(e), the remuneration payable to executive directors who are members of the promoter group, shall be subject to the approval of the shareholders by special resolution if the remuneration exceeds the limits as specified in the aforesaid regulation. As Mr. Rahul R. Katyal falls under the category of promoters and as it is recommended to approve his re-appointment the proposed approval is by Special Resolution. In terms of

Rule 7 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company, is not required to obtain approval of the Central Government, Ministry of Corporate Affairs, as the remuneration proposed to be paid to its Executive Director does not exceed the limits specified under Section 196, 197 read with Schedule V and applicable rules of the Companies Act, 2013.

The Board of Directors recommends the Special Resolution as set forth in Item No.3 for the approval of shareholders of the Company.

Except Mr. Rahul R. Katyal and Mr. Rohit R. Katyal, who is brother of Mr. Rahul R. Katyal, none of the Directors and / or Key Managerial Personnel of the Company are concerned or interested, financially or otherwise in the above resolution.

ITEM NO. 4:

The Board, on the recommendations of the Audit Committee during their meetings held on May 27, 2022, has considered and approved appointment of M/s. Y. R. Doshi & Associates, Cost Accountants as Cost Auditor to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022 at the remuneration as mentioned in the relevant item of the Notice.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board, has to be ratified by the shareholders of the Company.

Accordingly, ratification by the shareholders is sought to the remuneration payable to the Cost Auditor for the financial year ending March 31, 2022 by passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

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

The Board recommends the Ordinary Resolution as set forth in Item No. 4 for the approval of the Shareholders.

ITEM NO. 5:

Pursuant to the modifications suggested to the Related Party Transactions ("RPTs") framework by the Working Committee constituted for the purpose, the Securities and Exchange Board of India ("SEBI"), carried out certain amendments to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") vide the SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, some of which became effective from April 01, 2022, while some would become effective from April 01, 2023.

Regulation 23 of the SEBI Listing Regulations, as amended, states that all RPTs with an aggregate value exceeding ₹1,000 crores or 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall be considered as Material Related Party Transaction ("MRPTs") and shall require approval of the Shareholders by means of an ordinary resolution.

The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned Company and at an arm's length basis.

Related Party	Total approval limit to be sought at the AGM
TPL-CIL Construction LLP	₹ 1474 crore (including GST)

The Company has provided the Audit Committee with the relevant details, as required under law, of the proposed RPTs. The Audit Committee, after reviewing all necessary information, has granted approval for entering into the above-mentioned material related party transactions with TPL-CIL Construction LLP. The Committee has further noted that the above-mentioned transactions will be on an arms' length basis and are in the ordinary course of business of the Company.

Accordingly, basis the approval of the Audit Committee, the Board of Directors recommend the resolution contained in Item No. 5 of the accompanying notice to the shareholders for approval.

Information pursuant SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021;

Sl. No.	Description	Details
1.	Details of Summary of information provided by the management to the Audit Committee	
	a. Nature, material terms, monetary value and particulars of contracts or arrangement	₹1474 Crores including GST TPL-CIL Constructions LLP has awarded to Company the works for Construction of Rehabilitation Residential Buildings (11 nos.) on Lump-Sum basis for Redevelopment of BDD Chawls on CTS Nos 1539 & 1540 of Lower Parel Division at Worli, Mumbai- 400018
	b. Name of the related party and its relationship with the listed entity;	TPL-CIL Construction LLP, Associate
	c. Name of the director or key managerial personnel who is related, if any and nature of relationship	Mr. Rahul R. Katyal
	d. Tenure of the proposed transactions	27 months from the date of the commencement of Individual wing of the Rehabilitation Residential Building
	e. Value of transactions	₹1474 Crores including GST
	f. Percentage of annual consolidated turnover of the Company considering FY 2021- 22 as the immediately preceding financial year	Consolidated turnover of the Company for F.Y. 2021-22 was ₹ 1334.79 crores. The Contract will be executed over the period of 27 months. The exact quantum of work year wise will depend on number of factors. However, if we consider uniform execution over the contract period, the approximate transaction value per year would be as under: Approx. 36.81% for FY 2022-23 Approx. 36.81% for FY 2023-24 Approx. 36.81% for FY 2024-25
	g. Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the Company	Not Applicable
	h. Justification for the transaction	Capacit'e Infraprojects Limited (CIL) has expertise in providing end to end services for Residential, Commercial and Institutional building therefore TPL-CIL Construction LLP has sub-contracted the said work to CIL
	i. A statement that the valuation or other external report, if any, relied upon by the Company in relation to the proposed transaction will be made available through registered email address of the shareholder	Not Applicable
	j. Any other information that may be Relevant	All relevant information mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(2) of the Act, forming part of this Notice

The Board recommends this resolution set out in Item No.5 of this notice for approval of the Members to be passed as ordinary resolution.

Mr. Rahul Katyal, Director is interested in the said resolution. Except the above, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested.

By order of the Board of Directors

Varsha Malkani
Company Secretary & Compliance Officer
Membership No.ACS 42637

Registered Office:
605-607, 6th Floor, Shrikant Chambers, Phase – I,
Adjacent to R K Studios,
Sion-Trombay Road, Chembur, Mumbai – 400071,
Maharashtra, India

Place: Mumbai
Date: August 09, 2022

ANNEXURE- A

Details of Directors seeking Appointment/ Re-appointment as required under 36 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard – 2 issued by the Institute of Company Secretaries of India:

Name of Director	Mr. Rohit Ramnath Katyal	Mr. Rahul Ramnath Katyal
Date of Birth	January 09, 1971	March 01, 1975
Age (years)	51	47
Date of Appointment	March 01, 2014	August 09, 2012
Qualification	Bachelor's degree from University of Mumbai in Commerce stream.	Holds Higher Secondary Certificate from Maharashtra State Board of Secondary and Higher Secondary Education Divisional Board
Relation with other Director/ s (Inter-se)	Brother of Mr. Rahul Katyal, Managing Director & Chief Executive Officer	Brother of Mr. Rohit Katyal, Executive Director & Chief Financial Officer
Terms and Conditions of appointment /reappointment	Appointment as an Executive Director subject to retirement by rotation	Re-appointment as a Managing Director, not liable to retire by rotation.
Expertise in specific functional areas	Currently CFO of the Company, other functional areas include Accounts, taxation	A management consultant various industries spanning consumer goods, private-equity, retail & telecom.
Directorship held in other companies as on date	1. CIPL PPSL Yongnam Joint Venture Private Limited	1. CIPL-PPSL-Yongnam Joint Venture Constructions Pvt. Ltd. 2. Katyal Merchandise Pvt. Ltd. 3. Katyal Ventures Private Limited 4. Captech Technologies Private Limited 5. Capacit'e Engineering Private Limited 6. TCC Construction Private Limited
Chairman/ Member of the Committee of the Board of Directors of the Company*	Member in 2 Committees: Stakeholders Relationship Committee and Corporate Social Responsibility Committee	NIL
Committee positions in other Public Companies	NIL	NIL
Number of shares of the Company, held	50,00,000 Equity Shares	73,80,953 Equity Shares 15,50,000 Fully Convertible Warrants

Note:

i. *Audit Committee, Shareholders'/ Investors' Grievance Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee are considered.

For Details such as Number of Board Meetings attended during the financial year 2021-22 by each of the above Directors and remuneration drawn in respect of the above Directors, please refer the Corporate Governance Report which is the part of this Annual Report

ANNEXURE- B

Annexure referred in item No 3 Disclosure Pursuant to Section II of Part II of Schedule V to the Companies Act, 2013 is **given hereunder:**

I. General information:

(1) Nature of industry — Construction of Buildings

(2) Date ~~or expected date~~ of commencement of commercial production — The Company was incorporated on August 09, 2012 and as in in operation since then

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus — Not applicable

(4) Financial performance based on given indicators — (a) Standalone Financial Performance

(₹ in Lakhs)

Particulars	Standalone	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from operations	1,33,478.74	87,972.19
Other income	1,307.72	2,871.92
Total Income	**1,34,786.46**	**90,844.11**
Profit before tax	6,079.68	482.06
Net Profit after Tax	4,468.48	179.05

(b) Consolidated Financial Performance

(₹ in Lakhs)

Particulars	Consolidated	
	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from operations	1,33,478.74	87,972.19
Other income	1,313.59	2,879.54
Total Income	**1,34,792.33**	**90,851.73**
Profit before tax	6,083.84	482.06
Net Profit after Tax	4,398.52	153.22

(5) Foreign investments or collaborations, if any. — The Company has not entered into any material foreign collaboration; an investment made in the Company is received from One Country under Foreign Direct Investment Scheme.

II. Information About the Appointee:

(1) Background details — Mr. Rahul Ramnath Katyal aged 47 years, is founder of Capacit'e Infraprojects Limited which was incorporated on August 9, 2012. He holds a higher secondary certificate from the Maharashtra State Board of Secondary and Higher Secondary Education Divisional Board. He has approximately 27 years of experience. He possess Project management skills. He looks after complete Operations Department (execution, coordination and controls) of the Company. He is proposed to be re-appointed as Managing Director of the Company w.e.f. September 4, 2022. He currently heads business development, client relationship and operations at the Company.

(2) Past remuneration

Sl. No.	Particulars	Linked to	% / Fixed	Amount (in ₹) Per Month	Amount (in ₹) Per Annum
1	Salary & Allowances				
1.1	Basic	N.A.	Fixed	3,14,000	37,68,000
1.2	LTA	N.A.	Fixed	26,156	3,13,874
1.3	Management Allowance	N.A.	Fixed	4,44,844	53,38,126
	Total			**7,85,000**	**94,20,000**

(3) Recognition or awards

Under the leadership of Mr. Rahul Ramnath Katyal the Company has won various awards and accolades namely in the field of operational excellence and safety.

Under his direction / management the company has won numerous notable awards in the last decade, like...

- HSE Excellence Award 2017;
- Company won the emerging construction company of the year 2017;
- Appreciation for 1.6 million injury free person-hours between 2014 and 2018;
- India Book of Records Certificate for Largest Cancer Care Hospital Built in Least Time by a Philanthropic Organization;
- Award for 12th CIDC Vishwakarma Awards under category Construction Health, Safety & Environment by Construction Industry Development Council and Construction World Global Award among others;
- The GOLDEN Peacock award for excellence in HSE was also conferred to Company in 2018
- Company won the award for Contribution to Permanent Health Infrastructure by Govt of Maharashtra in 2021.

(4) Job profile and his suitability

He heads business development, client relationship and operations at the Company.

(5) Remuneration proposed

As stated in the Explanatory Statement under Item No. 3

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The remuneration as proposed of Mr. Rahul R Katyal is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company and its group and diverse nature of its businesses in his position as Managing Director of the Company, Mr. Rahul R Katyal devotes his full time in overseeing the operations of the Company.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Besides the remuneration proposed, Mr. Rahul R Katyal does not have any pecuniary relationship with the Company. Mr. Rahul R Katyal is one of the Promoter and he holds 73,80,953 equity shares and 15,50,000 Preferential Warrants in the share capital of the Company.

Mr. Rahul R Katyal is brother of Mr. Rohit R Katyal, Executive Director and Chief Financial Officer of the Company.

III. Other Information:

(1) Reasons of loss or inadequate profits

The Company is passing a Special Resolution pursuant to the proviso to the sub-section (1) of Section 197 of the Companies Act, 2013 and as a matter of abundant precaution, as the profitability of the Company may be adversely impacted in future due to business environment during the period for which remuneration is payable to Mr. Rahul R. Katyal i.e. till September, 2025.

(2) Steps taken or proposed to be taken for improvement

The Company has embarked on a series of strategic and operational measures that are expected to result in the improvement in the present position. The inherent strengths of the Company, especially its reputation as a premium construction company undertaking several prestigious projects in hands across the country.

(3)	Expected increase in Productivity and profits in measurable terms	The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to maintain and improve financial performance.

IV. Disclosures

- all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc.: Details are mentioned in the explanatory;
- Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2021-22: The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2021-22 of the Company.

By order of the Board of Directors

Varsha Malkani
Company Secretary & Compliance Officer
Membership No.ACS 42637

Registered Office:
605-607, 6th Floor, Shrikant Chambers, Phase – I,
Adjacent to R K Studios,
Sion-Trombay Road, Chembur, Mumbai – 400071,
Maharashtra, India

Place: Mumbai
Date: August 09, 2022

Notes

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CAPACIT'E
INFRAPROJECTS LIMITED

Registered & Corporate Office:

605-607, Shrikant Chambers,
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Sion-Trombay Road,
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