Capacit'e Infraprojects Limited
Annual Report 2022-23

EMBRACING OPPORTUNITIES DELIVERING EXCELLENCE

Contents

In focus

₹ 1,790.8 Cr
Revenue

34%
Y-o-Y growth of Revenue

₹ 360.3 Cr
EBITDA

56%
Y-o-Y growth of EBITDA

₹ 94.3 Cr
PAT

95%
Y-o-Y growth of PAT

₹ 239.4 Cr
Cash PAT

61%
Y-o-Y growth of Cash PAT

Scan the QR Code to know more about us

Forward looking statement

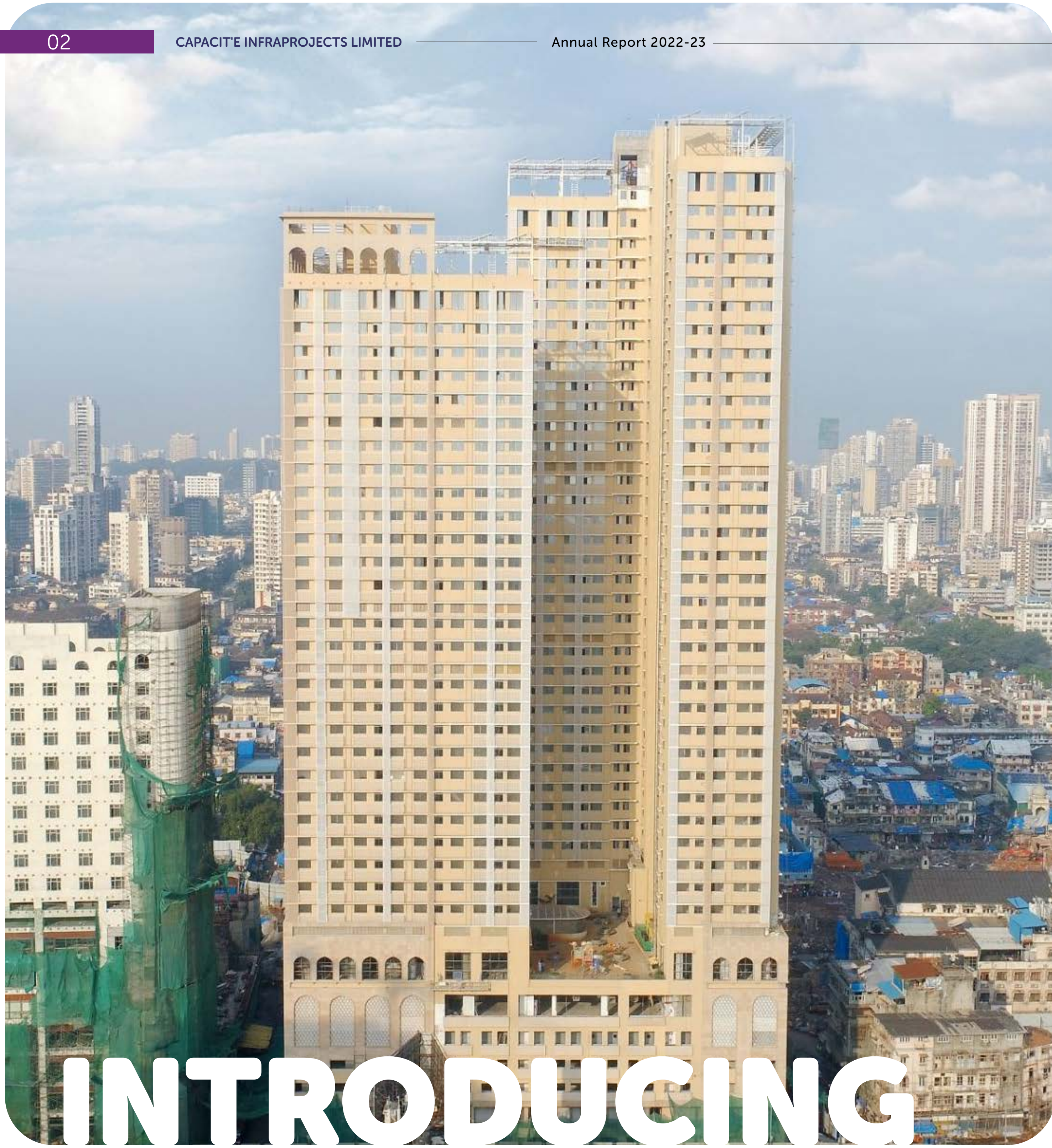
The information provided in this report contains forward-looking statements. These statements are based on our current beliefs, expectations, and intentions regarding future facts, actions, and events. Such statements may also include the assumptions or basis on which they are founded. We have made these assumptions or chosen this basis in good faith, believing them to be reasonable in all material aspects. However, we want to caution you that there is typically a variance between forward-looking statements, assumed facts or bases, and actual results, which can be significant depending on the circumstances.

With rapid urbanisation and the growth of the aspirational population in India, customer preferences are changing. Recognising the shift in preferences, we have been creating a new construction portfolio for the future that is synonymous with high quality and iconic designs.

Since day one, we have been driven by a passion for transforming the urban landscape with our iconic skylines and landmark designs. It is this commitment to creativity and innovative solutions that has driven our success in the real estate space.

Over the years, we have built from strength to strength, enhancing our capabilities while meeting our clients' expectations. However, what truly sets us apart is our flexibility to embrace emerging opportunities and make the most of them. We have remained agile in our approach and adapted ourselves in response to market trends, evolving into an end-to-end construction service provider. With a commitment to delivering excellence, we have always focused on ensuring timely execution while meeting industry benchmarks and going beyond. This comprehensive approach has garnered trust from both public and private sector clients, making us a trusted partner in the building construction industry.

By implementing new-age processes, we have developed a diverse service portfolio that captures complexities, showcasing our capability to take on challenging projects with confidence. Backed by a growing clientele and supported by projects funded by global players, we will continue to expand our reach, invest in our talent pools and unlock efficiencies to deliver robust performance year after year. With a healthy order book, sustained order inflow and our expertise in executing and delivering projects on time, we are well-positioned to embrace emerging opportunities and deliver excellence.



INTRODUCING CAPACIT'E

Over the years, we at Capacit'e Infraprojects, have emerged as a leading force in the construction industry, exemplifying innovation in skyline development and cultivating a portfolio characterised by quality and iconic designs. Synonymous with excellence, we have achieved remarkable growth and established ourselves as a provider of top-notch construction solutions.

Headquartered in Mumbai and having a decade-long industry experience, we offer comprehensive end-to-end construction services encompassing residential complexes, corporate office buildings and commercial structures. We specialise in constructing high-rise and super-high-rise buildings and have cultivated an impressive track record of efficient project execution through the dedicated efforts of our competent team members.

Central to our approach is a resolute focus on client satisfaction. By implementing a customer-centric strategy, we comprehend the distinctive requirements of our clients and deliver bespoke solutions that cater to their unique needs. This steadfast commitment has solidified our reputation as a trusted brand, earning the trust of our valued clientele and stakeholders.

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.

Our strengths

- Dedicated team
- Effective processes
- Quality assurance
- Consistent innovation
- Strong financials
- Satisfied clients

MANAGING DIRECTOR'S MESSAGE

Dear Shareholders,

Our performance for the financial year 2023 has been deeply encouraging, as we continued to accelerate profitable growth and reinforce our position as a leading building EPC company and its segments of operations. Powered by a healthy order book, sustained order inflow and our expertise in executing and delivering projects on time, we are optimistic that we will continue to witness sustainable growth even in the coming years. I must also mention in this context that the conducive macro environment in India had helped us improve our performance.

Macro perspective

The Government of India has focused on significantly enhancing infrastructure investments to accelerate the post-pandemic economic recovery. The proposed allocation for capex in the Union Budget for FY24 totalled ₹ 10 lakh crores, indicating an increase of 33.40% compared to the previous year. The capital expenditure (capex) of the Government is also crowding in private investments, with global institutional investors investing in mega commercial projects.

On the other hand, moderate interest rates and high demand for affordable housing are fuelling the growth of the residential property market. We believe, these positive tailwinds are likely to play a pivotal role in driving the growth of the construction and real estate sector over the medium and long term.

At Capacit'e, we are embracing opportunities with agility and delivering excellence in a steady and sustainable manner. With a varied order book from some of the most prominent clients from private as well as public sector, strong balance sheet, flexible strategies and adaptability to change, we have carved a niche for ourselves in the sector in which we operate. Our esteemed clientele from both private and public sector provide better revenue and cashflow visibility in a rather volatile operating sector. In a nutshell, it is a 'best of both worlds' scenario.

However, public sector orders, which are more Design-Build projects are likely to contribute significantly in terms of revenue, going forward. We are also seeing a clear shift of developers towards more organised EPC players like Capacit'e, leading to better contractual terms. New avenues such as projects of Railway Land Development Authority are opening up, further strengthening the optimism of the sector where we operate.

Strategic priorities

As we look towards the future with ever more optimism, our focus will continue to be on working with large and liquid public and private sector clients, thereby strengthening our revenue visibility and sustainable cashflows. We will also continue to foster enduring relationships with existing clients to generate more repeat orders, and transform an individual client into a sustainable revenue generating platform. We will also focus on increasing the scope of services and corresponding revenues, enhancing brand recall, market share and project control. Our priority will continue to be on strengthening our cash flow, reducing our debt and aiming to be net debt free in the foreseeable future.

We are also committed to step up our ESG initiatives in order to nurture and protect the environment and work towards the wellbeing of our people and the communities we work with. From energy conservation, water and waste management, ensuring health and safety of our people, to upskilling our teams and ensuring the diversity in the workplace, we conduct a wide range of initiatives to strengthen our sustainability agenda.

Road ahead

As the macro environment continues to improve, we are accelerating our growth trajectory with sharper focus on project wins, execution, stringent cost optimisation, better working capital management in order to enhance value for our clients, investors and all other stakeholders. Free cashflow generation remains one of our top priorities, with emphasis on recoveries.

I am deeply grateful to all our clients for reposing their faith in our vision and capabilities. I would also like to thank our employees, suppliers, shareholders and other stakeholders for their unwavering support and trust in us.

We will continue to expand our reach, invest in our talent pool and unlock efficiencies to deliver robust performance in the coming years.

Regards,

Rahul R. Katyal
Managing Director

EXECUTIVE DIRECTOR & CFO's INSIGHT

Dear Shareholders,

At Capacit'e, we are committed to embracing opportunities and delivering value to our clients, investors and business partners in a profitable and sustainable manner.

Over the years, we have strengthened our capabilities, specialising in the construction of high-rise and super high-rise residential, commercial and institutional buildings, including super speciality hospitals. We have secured a diverse order book from distinguished clients in both public and private sector. Even in the private sector, we are working on well-funded projects, including projects with investments by esteemed global players.

Our revenue visibility is likely to gain further momentum owing to the quality of our order book and the reputation and recall of our brand. Over the past few years, while our order book size has expanded significantly, our project under execution have reduced leading to higher revenue contribution per project, better management and improved margin profile. During the year under review, we continued to embrace opportunities and leverage our strengths to significantly improve our overall performance during FY2022-23 (FY23).

Our revenue from operations for FY23 grew by 34%, to ₹ 1,791 crores, compared to ₹ 1,340 crores in FY22. EBITDA for FY23 grew by 56% to ₹ 360 crores vis-à-vis ₹ 232 crores in FY22. Our Profit After Tax (PAT) grew by 95% to ₹ 94 crores, compared to ₹ 48 crores in FY22. PAT margin for the financial year 2023 stood at 5.2%, compared to 3.6% in the previous year.

> We remain dedicated to strengthening our foundation to amplify value for all stakeholders with a long-term perspective.

The gross debt stood at ₹ 366 crores with gross debt-to-equity at 0.34, while net debt stood at ₹ 183 crores with net-debt to equity ratio at 0.17, demonstrating a strong balance sheet. The working capital cycle excluding retention stood at 117 days in March 2022 and improved to 105 days in March 2023. Our strategy now is geared towards meaningful reduction in working capital cycle, recoveries of old receivables and Free Cash Flow generations in near future.

Our focus is on strong cashflow, leading to shortening receivables, moderating debt, proactive investments in advanced technologies that accelerate construction and graduate to superior margin projects. We have also shored up our equity base via preferential issue worth ₹ 96.30 crores in July 2023, which further enhances our balance sheet strength.

In terms of order book composition approximately 70% of our order book is contributed by the public sector and the rest by the private sector. Our bid pipeline remains robust with contribution from both public and private sector. The government bid pipeline in the housing and medical care sector is highly encouraging. One interesting trend is that over the preceding five years, the number of projects under execution has declined from ~60 projects to ~30 projects, however the order book has doubled.

Our market reputation, order book and financial performance demonstrate our capabilities and the progress we have achieved during the year. We will continue to build on our performance in the coming years, strengthening our execution prowess and further diversifying our portfolio.

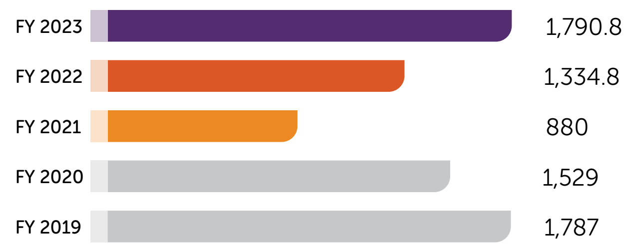
We remain dedicated to strengthening our foundation to amplify value for all stakeholders with a long-term perspective.

Regards,

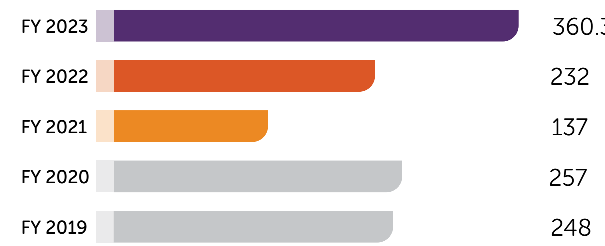
Rohit Katyal,
CFO & Executive Director

FINANCIAL HIGHLIGHTS

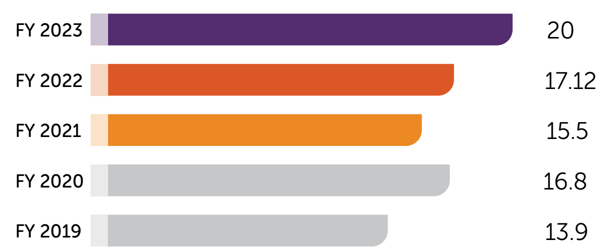
Revenue from operations (₹ **in Cr.**)



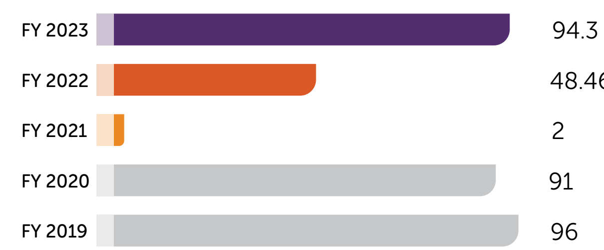
EBITDA (₹ **in Cr.**)



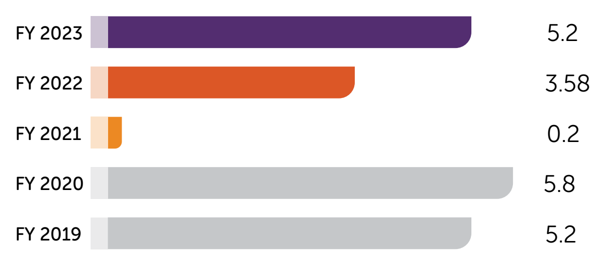
EBITDA Margin (**in %**)



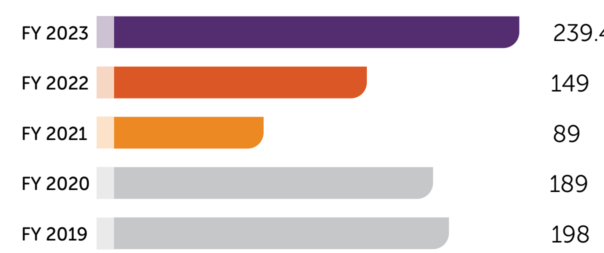
PAT (₹ **in Cr.**)



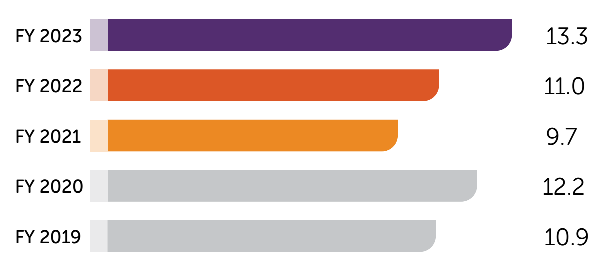
PAT Margin (**in %**)

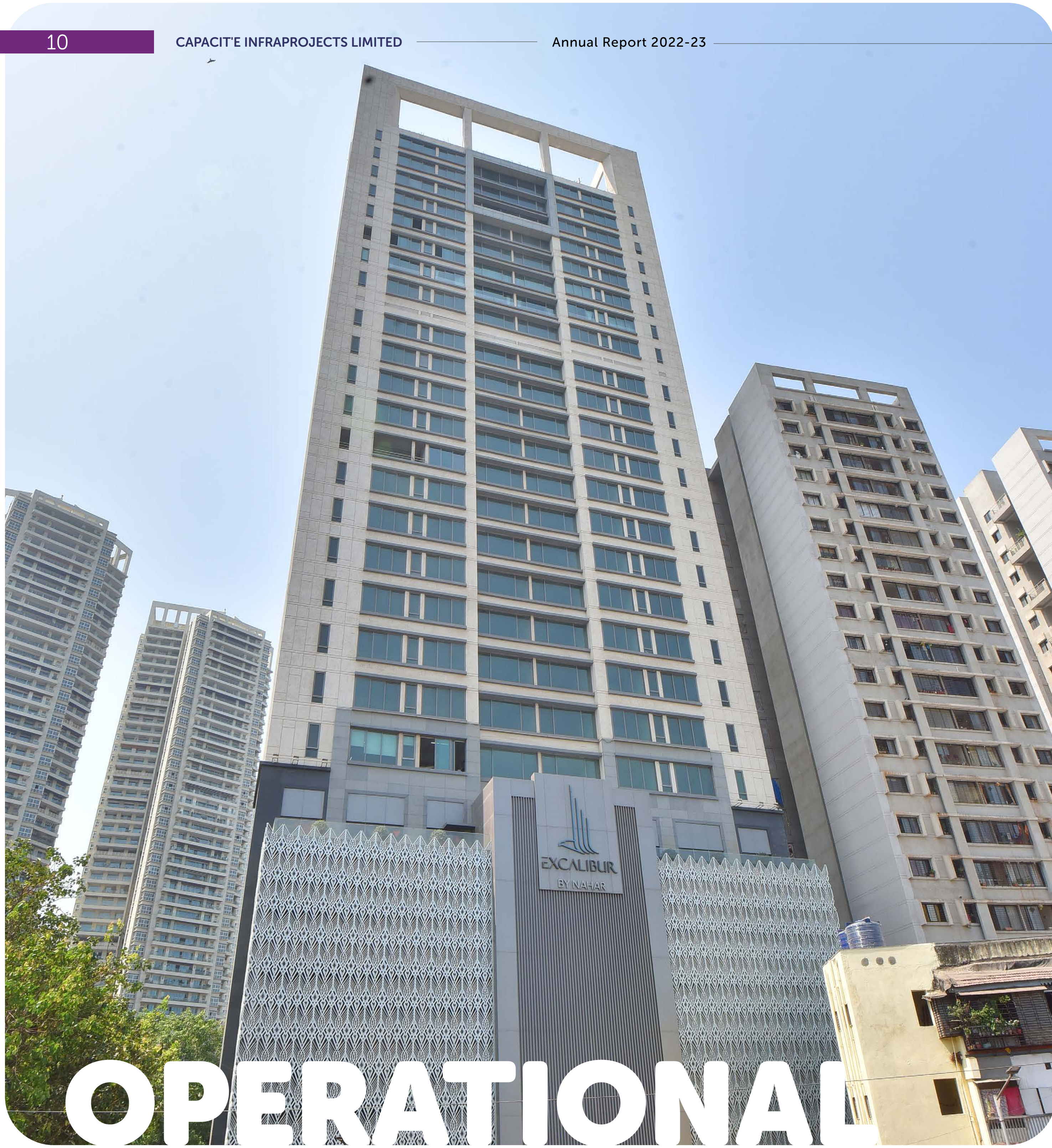


Cash PAT (₹ **in Cr.**)



Cash PAT Margin (**in %**)





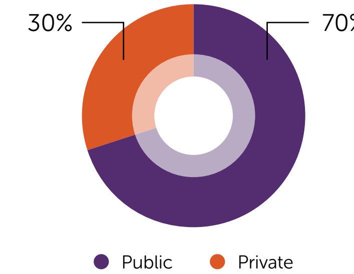
OPERATIONAL HIGHLIGHTS

During FY 2023, we achieved a healthy order book with a significant share from the public sector that resulted in revenue uptick, coupled with improved profitability and sustainable growth.

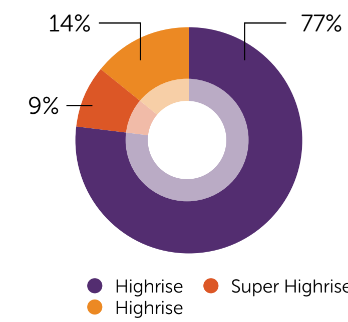
Order inflow (₹ **in Cr.**)

₹ 9,513 Cr
Order book as on March 31, 2023

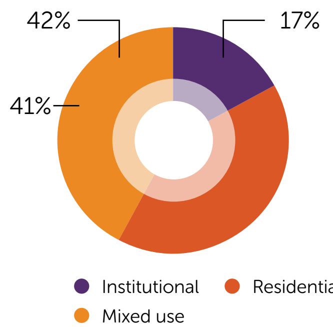
Private v/s public



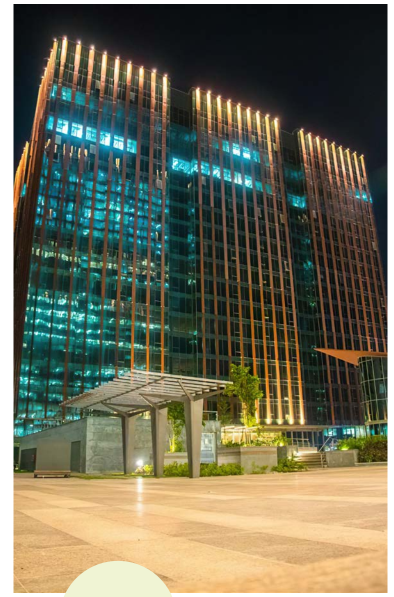
Project split



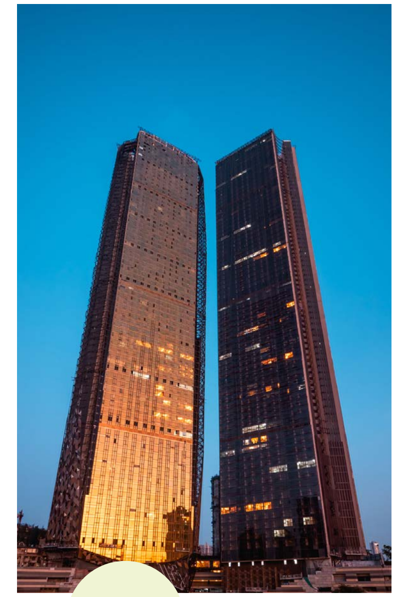
Category-wise split



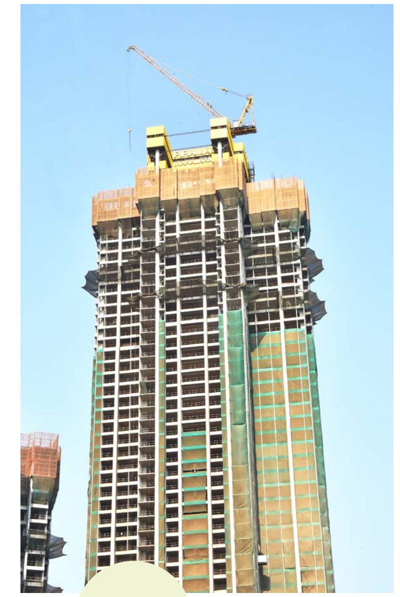
LANDMARK PROJECTS



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

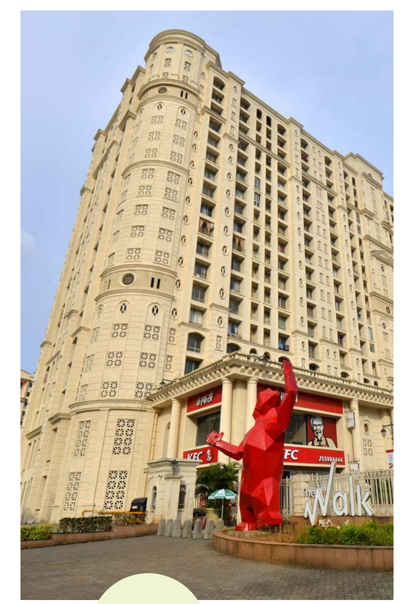

Oberoi Enigma


Thane
Neelkantha


Emerald
Godrej


Auris Serenity


Splendora
Lodha


The Park
Hiranandani

WAYS WE DELIVER EXCELLENCE

Input | Value creation process | Output | Outcome | SDG's

Input

Financial Capital
- ₹ **67.89** crore Equity share
- ₹ **1005.67** crore Reserve and surplus
- ₹ **1073.56** crore Net worth

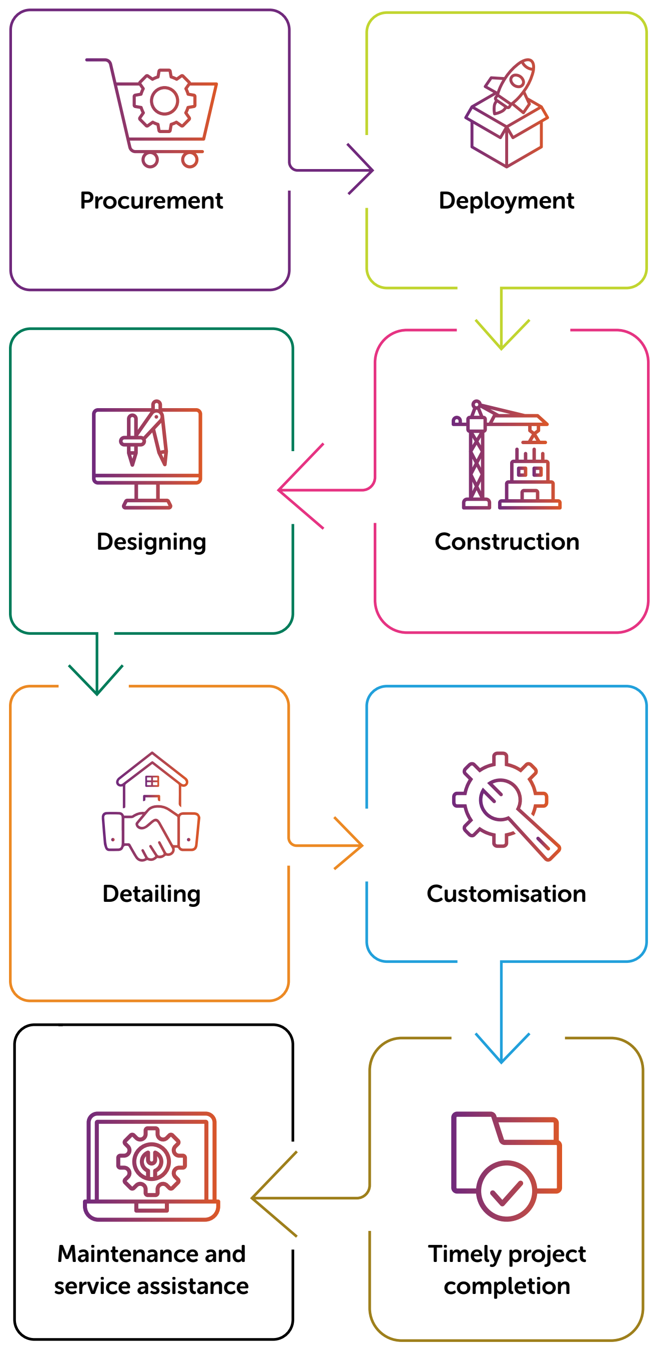
Manufacturing and Innovation
- ₹ **643** crore Property, plant and equipment
- ₹ **71** crore Investment in adopting cutting-edge technologies

Human Resource
- **1667** Employees
- **2316** Training and development programmes conducted
- **14045 Hours** - of training

Social and Relationship Capital
- ₹ **1.12** crore CSR expenditure
- Stakeholder engagement programmes are conducted **every quarter**

Natural Capital
- **18332576 KWH** Energy consumed
- **516641 Ltr** Usage of non-renewable source of energy
- **5830246 KL** Water usage
- **33404 Ton** Waste generated

Value creation process



Our growth drivers
- Marquee clientele
- Hybrid order book
- Strong cash flow
- Advanced construction technologies
- Proper quality check methods

Stakeholders impacted

Output

Financial Capital
- ₹ **1,790.8** crore Revenue
- ₹ **360.3** crore EBITDA
- ₹ **94.3** crore PAT

Manufacturing and innovation
Certification for effective quality management system: ISO 9001:2015

Human Resource
- **4.61%** Attrition rate
- **220** Employees promoted

Social and Relationship Capital
- **Every Quarter** Community development programmes conducted
- **12000+** People benefitted
- **02** Repeat orders

Natural Capital
- **164368 KL** Water recycled

Outcome

Financial Capital
Strong financial growth
Healthy balance sheet

Manufacturing and innovation
Improved design and build quality
Reduced turn-around time

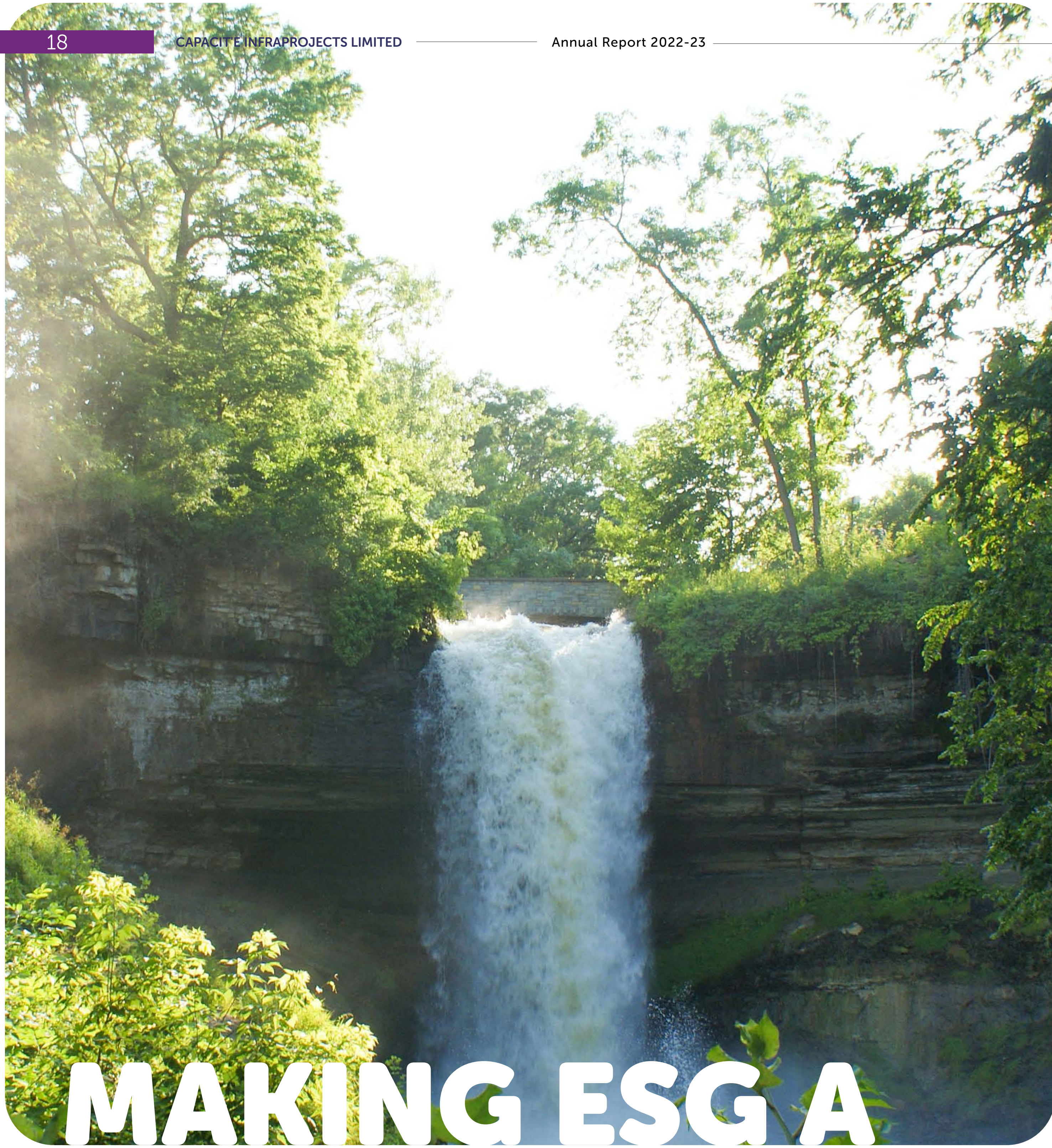
Human Resource
Dedicated employees delivering quality work
Improved career growth

Social and Relationship Capital
Building trust and reliability among stakeholders
Ensuring sustained growth. through community development initiatives

Natural Capital
Proper disposal of waste, recycling water and using renewable resources minimised our environmental impact

SDG's

3, 9, 8, 12, 11



MAKING ESG A PRIORITY

Translating ESG principles into action is crucial for our long-term success. It helps us align our values with our actions, enhances our reputation and fortifies our position as a socially conscious citizen. Prioritising ESG over the years has contributed to our sustained growth by mitigating risks and identifying new opportunities in a dynamic business landscape.

Environment

Environmental sustainability in real estate is a crucial aspect of responsible development and long-term planning. It entails incorporating practices that minimise the adverse impact on the environment, while promoting optimum use of resources. Integrating sustainable designs into our projects by using energy-efficient and eco-friendly building materials has helped us reduce our environmental footprint while contributing to a greener future.

Energy management

We are cognisant of the fact that we operate in an energy-intensive industry and acknowledge the substantial energy consumption associated with our operations. Consequently, we are committed to maximising energy efficiency throughout our activities. When constructing buildings within municipal boundaries, where electricity serves as the primary energy source, we prioritise the deployment of energy-efficient machinery and light fixtures. We also adopt proactive maintenance practices to ensure the sustained efficiency of both our plant and machinery.

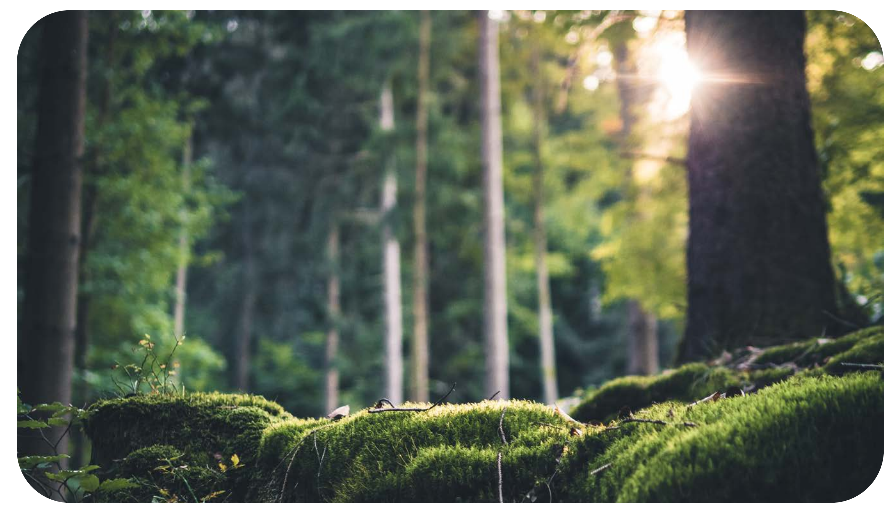
Water conservation

As construction activities rely heavily on water, it is crucial to implement targeted measures to minimise water usage and promote responsible resource management. To achieve this objective, our construction projects primarily obtain water from external sources such as municipalities or tanker services. To optimise water consumption, we have installed water meters on our storage tanks, which enable us to monitor and track our water consumption effectively.

Moreover, at our construction sites, we treat and reuse sewage water and wastewater. We employ advanced treatment methods to purify wastewater to a suitable level for reuse.

In addition, we employ rainwater harvesting techniques to supplement the water requirements for concrete curing, emphasising our commitment to sustainable construction practices.

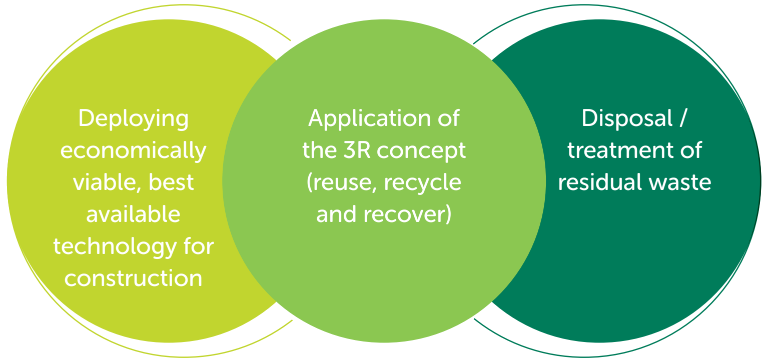
164368 KL
Water recycled



Waste management

The real estate sector generates significant waste, including construction debris, wastewater, and sewage from camp and site offices. Proper waste management is crucial to reducing environmental impact and ensuring sustainability. Our approach involves repurposing construction debris for backfilling, treating and reusing cured wastewater and recycling waste steel bars for secondary steel production. By implementing such waste management practices, we aim to contribute to a cleaner and more sustainable future.

Pillars of our waste management system



Social

To make a meaningful impact on society, we undertake several well-thought-out initiatives that contribute to the development and well-being of the communities we operate in. Our engagement efforts extend beyond financial considerations as we seek to enhance stakeholder value. We engage in community development projects, support education and healthcare initiatives, and foster diversity and inclusion to ensure a sustainable future for all stakeholders involved.

Corporate Social Responsibility

Our efforts aim to promote the well-being of individuals and communities by making quality healthcare accessible, enhancing infrastructure, supporting medical research, and raising awareness of preventive measures. We also engage in disaster management, providing assistance during emergencies and investing in long-term recovery projects, empowering local communities and promoting a healthier, safer future.

₹ 1.12 Crore

CSR expenditure

Ensuring health and safety

We have consistently prioritised the health, safety and well-being of our employees. We regularly conduct thorough inspections and risk assessments to identify and address any potential hazards. Moreover, we regularly update our safety procedures to stay up to date with industry standards and educate our personnel on health and safety protocols, ensuring that our operational site remains a safe place for all.

ISO 45001:2018

Certified

ISO 9001:2015

Certified

ISO 14001:2015

Certified

Particulars	FY 2023	FY 2022
HSE Trainings	2,316	1,453
HSE Tool Box Talk	6,720	8,432
HSE Safety Walk Through	1,674	1,432
Safe Man Hour Worked (In Millions)	5,24,36,684	4,36,84,428

Diversity

Fostering a workplace that is free from gender bias is one of our core principles. At Capacit'e, we strive to build an inclusive culture that respects all individuals. To identify the right fit for our teams, we prioritise the values of transparency and fairness, especially in our selection process, which is rooted in equality and compatibility. Our commitment extends to ensuring a discrimination-free work environment, irrespective of gender, caste, creed, religion, or language. We promote diversity and equal opportunities, embracing the uniqueness of every employee as we work towards our shared goals.

Training and development

Throughout our journey, our dedication to helping our people grow has remained steadfast. We make consistent investments in various training and development initiatives, catering to the diverse needs of our workforce. These initiatives include comprehensive induction training for new hires, need-based training programmes and a range of engaging activities designed to boost motivation and foster employee engagement.

Through these endeavours, we ensure regular interaction with our team members, which helps achieve enhanced operational efficiency.

Our training programmes cover a wide spectrum, including soft and behavioural skills, transformational leadership, result-oriented execution, personal and team effectiveness, communication and presentation skills. Along with this, we also provide training on technical domains such as AutoCAD, advanced Excel, QA/QC and workshops on quality. By providing these opportunities, we equip our people with the requisite skills to excel in their respective roles, ultimately driving the collective success of our organisation.

14045 Hours

of training provided

Supply chain management

At Capacit'e, we focus on building a reliable supply network and have formed robust and enduring partnerships with our supply chain partners. To ensure uninterrupted operations, we conduct comprehensive assessments of supply chain risks. When selecting vendors for specific products or services, we evaluate crucial factors such as their capabilities, timeliness, quality and pricing.

To make informed procurement choices, we diligently monitor and assess suppliers' track records, including their social and environmental performance. Moreover, we adopt a centralised resource procurement planning approach for all our sites, aiming to streamline operations and achieve economies of scale through a limited number of dedicated suppliers.

Governance

We are dedicated to driving sustainable growth, while generating long-term value for our stakeholders. Our Board and management value accountability, transparency, social responsibility, operational efficiency and ethical conduct. To uphold these core values, we foster a culture of continuous improvement, competitiveness and responsiveness. Through our unwavering commitment to these values, we seek to build a resilient and trusted organisation that thrives in a dynamic operating environment

Corporate policies

Our governance framework and policies are designed with a sharp focus on processes and internal controls, enabling us to bolster our business resilience. We consistently evaluate and refine our corporate policies, structure and processes to ensure the adoption and maintenance of best practices. Staying true to our commitment to sound corporate governance, our Board of Directors takes responsibility for formulating and implementing robust policies and practices that permeate throughout our organisation.

29 years

Average experience of board members

Code of conduct

Our Code of Conduct mandates all team members, directors and business partners to uphold legal compliance, ethical workplace practices and transparent business operations, fostering fairness and integrity.

Whistle blower policy

Our company prioritises a discrimination-free work environment and fair business conduct, upholding high standards of corporate ethics. Our whistleblower policy supports the Code of Conduct, allowing stakeholders to voice concerns about business decisions or instances of misconduct. This policy encourages directors and senior management to align their conduct with the Company's values, fostering a culture of integrity and honesty.

Board diversity

The collective expertise and diverse knowledge possessed by our Board members inform the decision-making process of our company. With their extensive experience, they bring valuable insights and perspectives to the table. Their diverse backgrounds enhance the quality and effectiveness of our strategic decisions, ensuring that we navigate challenges and seize opportunities with informed judgement. Through their collaborative efforts, our Board plays a crucial role in steering the organisation towards sustained growth.

3

Independent directors

5

Non-independent directors

25%

Women directors

BOARD OF DIRECTORS

Mr. Rahul R. Katyal
Managing Director

With experience spanning over 28 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 31 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 33 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 22 years, he has been associated with the Company for Eight 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 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 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 41 years in the energy, transportation and infrastructure business, he brings to the table his indepth 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 38 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 14 years, she has been associated with the Company for Six 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
Company Secretary & Compliance Officer – Upto 15.05.2023

Mr. Dinesh Ladwa
Compliance Officer – w.e.f. 16.05.2023, further appointed as Company Secretary w.e.f. 11.08.2023

Chief Executive Officer

Mr. Rahul R. Katyal

Chief Financial Officer

Mr. Rohit R. Katyal
upto 11.08.2023

Mr. Rajesh Das
w.e.f. 12.08.2023

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, 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 Auditors

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

Cost Auditors

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 Limited
Punjab National Bank
Bank of Baroda
Yes Bank Limited
HDFC Bank Limited
RBL BANK LIMITED
STCI Finance Limited
CSB Bank Limited

Registrar & Transfer Agents

KFin Technologies Limited
Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda,
Hyderabad - 500 032
Telangana, India
Tel: 040-67162222, 040-33211000
Toll Free No. : 1 800 345 4001
Fax: 040-23431551
Email: einward.ris@kfintech.com
Website: www.kfintech.com

DIRECTORS' REPORT

TO
THE MEMBERS OF
CAPACIT'E INFRAPROJECTS LIMITED

Your Directors are pleased to present their 11th (Eleventh) 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, 2023.

Summary of Financial Performance:

Key highlights of the Financial performance of the Company, for the financial year ended March 31, 2023 compared to previous financial year are as follows:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from operations	1,79,075.84	1,33,982.81	1,79,858.70	1,33,982.81
Other income	916.76	1,307.72	951.86	1,313.59
Total Income	**1,79,992.60**	**1,35,290.53**	**1,80,810.56**	**1,35,296.40**
Profit Before Depreciation and Amortisation & finance costs	36034.30	23,161.47	36608.01	23167.04
Less: Depreciation & amortization	13,559.63	9,881.31	13,599.63	9,881.31
Less: Finance Costs	8,940.54	6,696.41	8,942.64	6,697.82
Add: Share of profit/ (loss) of Joint Venture and Associate	-	-	49.60	(74.12)
Profit before tax	13,494.13	6,583.75	13,595.34	6,513.79
Less: Tax expenses (including Deferred Tax)	4,060.97	1,738.06	4,065.66	1,738.06
Net Profit after Tax (1)	9,433.16	4,845.69	9,529.68	4,775.73
Other Comprehensive Income/ (Loss) (2)	58.17	26.57	58.17	26.57
Total Comprehensive Income/ (Loss) (1+2)	9,491.33	4,872.26	9,587.84	4,802.30
Balance of profit/ loss for earlier years	44,122.46	39,250.22	44015.11	39212.81
Impact on adoption of Ind AS 115	-	-	-	-
Less: Transfer to Debenture Redemption Reserve	-	-	-	-
Less: Transfer to Reserves	-	-	-	-
Less: Dividend paid on Equity Shares	-	-	-	-
Less: Dividend paid on Preference Shares	-	-	-	-
Less: Dividend Distribution Tax	-	-	-	-
Less: Adjustment for joint venture	-	-	-	-
Balance carried forward	**53,613.79**	**44,122.46**	**53602.92**	**44015.11**

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.

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:

Paid-up Share Capital

The Paid up Equity Share Capital of the Company as on March 31, 2023 was ₹ 67,89,14,970 divided into 6,78,91,497 Equity shares having face value of ₹ 10 each.

During the financial year 2022-23, the Company has issued and allotted 31,00,000 (Thirty One Lakhs only) convertible Warrants, at issue price of ₹ 160 each (including ₹ 150 as Security Premium) convertible into 1 (one) fully paid-up Equity Share of the Company having face value of ₹ 10/- each on 9th June, 2022 and in respect of which Company has received an amount equivalent to 25% of the issue price aggregating to ₹ 12,40,00,000/- (Rupees Twelve Crores Forty Lacs only).

Issue of Shares on Preferential Basis:

The Company has issued 56,65,000 Equity Shares of ₹ 10/- each at a premium of ₹ 160 each aggregating to ₹ 96,30,50,000/-. Paid up Equity Share Capital was increased to ₹ 73,55,64,970 divided into 7,35,56,497 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.

Authorised Capital

The Board of Directors of the Company has proposed to increase the Authorized Share Capital of the company with a view for expansion and augmenting resources from ₹ 80,00,00,000 divided into 8,00,00,000 Equity Shares of ₹ 10/- each, to ₹ 90,00,00,000 comprising of 9,00,00,000 Equity Shares of ₹ 10/- each subject to approval of shareholders in the Annual General Meeting to be held on September 21, 2023

c) Dividend:

Considering to conserve the funds for future business growth, your Directors have not recommended any dividend for the Financial Year 2022-23.

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 2022-23, Company had incurred INR 8856.77 Lakhs towards capital expenditure primarily towards purchase of equipments, plant & machinery, formwork, 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, 2023.

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 was admitted. NCLT is yet to pass Order for which final hearing will be scheduled

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.

During the year Captech Technologies Private Limited ceased to be associate Company

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 BB+' and has placed it on Rating Watch with Negative Implications.

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) **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.

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 2022-23 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.

l) **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.

Appointments / Re-Appointments:

In accordance with the provisions of Section 152 of the Act, Mr.Siddharth Parekh, Non-Executive, Non-Independent Director (DIN: 06945508), retires by rotation at the ensuing AGM. Although being eligible, he has not offered himself for re-appointment due to pre-occupation. Accordingly, he would cease to hold office as Non-Executive, Non-Independent Director of the Company on expiry of his term ending at the ensuing AGM scheduled to be held on September 21, 2023

Further, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on May 26, 2023 had approved the re-appointment of Mrs. Manjushree Nitin Ghodke (DIN: 07147784) as Independent Director for 2nd term of 5 (Five) years commencing from August 11, 2023 till August 10, 2028. She is not liable to retire by rotation.

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on August 11, 2023 had approved the re-appointment of, Mr. Subir Malhotra (DIN: 05190208) as Executive Director of the Company w.e.f. November 01, 2023 to October 31, 2028, subject to approval of Shareholders of the Company.

Details of Mr. Subir Malhotra required under 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 11th Annual General Meeting.

Key Managerial Personnel:

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on August 11, 2023 had approved the appointment of, Mr. Rajesh Das as Chief Financial Officer of the Company w.e.f. August 12, 2023.

Further, on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on August 11, 2023 had approved the appointment of, Mr. Dinesh Ladwa as Company Secretary of the Company w.e.f. August 11, 2023.

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
Mr. Rohit R. Katyal	:	Executive Director & Chief Financial Officer (Upto August 11, 2023)
Mr. Subir Malhotra	:	Executive Director
Ms. Varsha Malkani	:	Company Secretary (up to May 15, 2023)
Mr Rajesh Das	:	Chief Financial Officer (w.e.f. August 12, 2023)
Mr. Dinesh Ladwa	:	Company Secretary (w.e.f August 11, 2023)

m) 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 06, 2023 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 09, 2022, approved CSR budget of ₹ 111.80 lakhs for the financial year 2022-23. The Company had carried forward available balance of ₹ 148.53 lakhs which was utilised for meeting current year CSR obligations and balance of ₹ 36.73 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 2022-23.

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, 2023 confirm that:

a. in the preparation of the accounts for financial year ended March 31, 2023, 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, 2023 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 06, 2023. The Nomination & Remuneration Committee & Board thereafter, in its meeting held on May 26, 2023, evaluated the performance of all the Directors for financial year 2022-23 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.

n) Particulars of Employees:

The statement of disclosure of Remuneration under Section 197 (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 of your Company. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary of the Company.

o) 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.

p) 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.

q) 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, 2023, 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, 2023. The Secretarial Audit Report issued in this regard is annexed as **(Annexure V)**.

The Secretarial Audit Report for the financial year ended March 31, 2023, 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, 2023. 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 Auditors.

The Board at its meeting held on 11th August, 2023, has appointed M/s. S Dayma & Co., Chartered Accountants as Internal Auditor of the company to carry the internal audit for the Financial Year 2023-24.

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 26, 2023 appointed M/s. Y. R. Doshi & Associates, Cost Accountants, as Cost Auditor of the Company for conducting the Cost Audit for the financial year 2023-24.

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 11th 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, 2023 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, 2023 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 workplace 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 was re-constituted and approved by the Board in its meeting held on May 26, 2023.

The Committee comprises of:

Sr. No.	Name of Director	Designation	Position in the Committee
1.	Ms. Preeti Vora	General Manager - Accounts	Presiding Officer
2.	Mr. Rohit R. Katyal	Executive Director	Member
3.	Mr Chaudhary Rajani Kanta Dash	Assistant Vice President-HR	Chairperson
4.	Mr. Birendra Ray	Assistant Vice President – Public Relations & Corporate Communication Department	Member
5.	Adv Meghna Murudkar	Legal Consultant	Member

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 was one complaint pertaining to sexual harassment reported to the ICC of the Company. The Company and/or Committee resolved 1 (one) complaint 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: 1

(c) Number of complaints disposed off during the year: 1

(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 Creditor	Status & Authority
1.	Sai Infra Equipments Private Limited	Withdrawal Application will be filed by the Operational Creditor on satisfaction of the terms under the Settlement Agreement dated 08.10.2022
2.	RMD Kwikform India Private Limited	Sub-Judice with National Company Law Tribunal - Mumbai Bench for hearing on dismissal application of CIL
3.	Technocraft Industries (India) Limited	Matter is Settled with the Operational Creditor, It will be withdrawn by the party on next date
4.	Nina Percept Pvt. Ltd.	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.	Operational Creditor	Status & Authority
1	Radius Sumer Developers Private Limited	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 And Sustainability Reporting (BRSR)

Regulation 34 of SEBI (Listing Obligation and Disclsoure Requirement) Regulation, 2015 as amended mandate top 1000 listed entities based on market capitalization to submit Business Respnsibility And Sustainablity Reporting (BRSR) with effect from financial year 2022-23. In compliance with Regulation 34 (2) (f) of the Listing Regulation, the Business Responsibility And Sustainability Reporting (BRSR) of the company for the financial year ended March 31, 2023 is attached to this report 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 11, 2023
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, 2022 to March 31, 2023
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	385.51
6.	Total Assets	470.49
7.	Total Liabilities	75.48
8.	Investments	0.00
9.	Turnover	0.00
10.	Profit / (Loss)	(2.15)
11.	Tax Expense	0.00
12.	Profit after taxation	(2.15)
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 toAssociate 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	CEPL-CIL JV	CIL-SIPL JV	Capacite- E-Governance JV
2.	Balance Sheet Date	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
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	Not applicable	Not applicable	Not applicable
	ii. Amount of Investment in Associates/ Joint Ventures	NIL	INR 37,10,000	INR 35,00,000	INR 7,00,000	NIL	NIL	NIL
	iii. Extent of direct/ indirect holding %	49.00	37.10	35.00	70.00	74.00% & 65.00%	51.00%	96.00%
4.	Description of how there is significant influence	Joint Venture	Associate Entity	Associate Entity	Joint Venture	Joint Venture	Joint Venture	Joint Venture
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	Equity Method for consolidation	Equity Method for consolidation
6.	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ in Lakhs)	3.80	(22.66)	(15.81)	(51.51)	35.25	20.19	13.97
7.	Profit / (Loss) for the year (₹ in Lakhs)	0.00	3.08	(0.66)	(7.68)	35.25	20.19	13.97
	i. Considered in Consolidation	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	ii. Not Considered in Consolidation (₹ in Lakhs)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

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: Captech Technologies Pvt Ltd was sold during the year under review and it ceased to be associate Company

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 11, 2023
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, 2023 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, 2023.

Shareholders approval has been obtained at the previous AGM held on September 26, 2022 under Material Related Party Transactions and the required information is:

Name(s) of the related party and nature of relationship	Nature of Contracts/ arrangements/ transactions	Duration of the Contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the values, if any	Date(s) of approval by the board, if any	Amount paid as advances, if any
TPL- CIL Construction LLP (Associate Company)	TPL-CIL Constructions LLP has awarded to Company the works for Construction of Rehabilitation Residential Buildings	27 months from the date of the commencement of Individual wing of the Rehabilitation Residential Building	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	09/08/2022	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 11, 2023
Place : Mumbai

Annexure III

Annual Report on Corporate Social Responsibility (CSR) activities during FY 2023

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 to bring about big change in long term.

Currently, the focus areas of CSR activities are:

(i) promotion of health care;

(xii) 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	2
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	2022-23	148.53	111.80

6. Average net profit of the company as per section 135(5).: ₹ **5590.25 Lakhs**

7. (a) Two percent of average net profit of the company as per section 135(5) : ₹ **111.80 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: ₹ **111.80 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)	111.80 Lakhs
(ii)	Total amount spent for the Financial Year	148.53 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	36.73 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)]	36.73 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**

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 11, 2023
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 2022-23 is as follows:

Name of Director	Ratio of Remuneration of Director to the Median Remuneration
Mr. Rohit R. Katyal	42.31
Mr. Rahul R. Katyal	42.16
Mr. Subir Malhotra	17.85
Mr. Sumeet S. Nindrajog	NA
Mr. Siddharth Parekh	NA
Ms. Farah Nathani Menzies	0.68
Mr. Arun Vishnu Karambelkar	0.57
Dr. Manjushree Nitin Ghodke	0.68

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year 2022-23 are as follows:

Name	Designation	Increase/ (Decrease) (%)
Mr. Rohit R. Katyal	Executive Director & CFO	110.19
Mr. Rahul R. Katyal	Managing Director & CEO	116.08
Mr. Subir Malhotra	Executive Director	0.00
Ms. Farah Nathani Menzies	Non-Executive, Independent Director	69.23
Dr. Manjushree Nitin Ghodke	Non-Executive, Independent Director	-8.33
Mr. Arun Vishnu Karambelkar	Non-Executive, Independent Director	3.77
Ms. Varsha Malkani	Company Secretary up to May 15, 2023	63.48

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 ₹ 4,82,816 for the financial year 2022-23. For calculation of median remuneration, the employee count taken is 1140 which comprises employees who have served for whole of the financial year 2022-23.

3. The percentage increase in the median remuneration of employees other than managerial personnel in the financial year 2022-23 was 8.29%.

4. Average percentage increase made in the salaries of Employees other than the managerial personnel in the financial year was 4.34% whereas the increase in the managerial remuneration was 72.91%. 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, 2023 was 1023.

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, 2023

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

To,
The Members,
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, 2023 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, 2023 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 and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the audit period);**

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(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). Re-appointment of Mr. Rahul R. Katyal as the Managing Director of the Company w.e.f. 04th September, 2022 for a further period of 3 years;

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 Board 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 Extra Ordinary General Meeting held on 26.05.2022 for issue of 31,00,000 Warrants, convertible into, or exchangeable for 1 (one) fully paid-up Equity Share of the Company having face value of ₹10/- each at a premium of ₹150 (Rupees One Hundred and Fifty only), each at a price of ₹160 (Rupees One Hundred and Sixty only), payable in cash aggregating up to ₹496,000,000/- (Rupees Forty-Nine Crores and Sixty Lacs only) on a preferential basis to the allottees belonging to Promoter Group:

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

Shreyans Jain (Proprietor)
FCS No. 8519
C.P. No. 9801
UDIN:F008519E000553118
PR NO.1118/2021

Place: Mumbai
Date: July 5, 2023

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, 2023

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.

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

Shreyans Jain (Proprietor)
FCS No. 8519
C.P. No. 9801
UDIN:F008519E000553118
PR NO.1118/2021

Place: Mumbai
Date: July 5, 2023

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's core activity is civil construction which is not power intensive. The Company is making every effort to conserve the usage of power wherever possible.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, 2022 to March 31, 2023	April 1, 2021 to March 31, 2022
Actual Foreign Exchange earnings	NIL	NIL
Actual Foreign Exchange outgo	NIL	NIL

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 11, 2023
Place : Mumbai

ANNEXURE VII

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

As per amended provisions of Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted

Section A: General Disclosures

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the listed Entity	L45400MH2012PLC234318
2	Name of the Listed Entity	Capacit'e Infraprojects Limited
3	Year of incorporation	2012
4	Registered office address	605-607, 6th Floor, A Wing, Shrikant Chambers, Phase-I, Adjacent to R. K. Studios, Sion-Trombay Road, Chembur Mumbai 400 071, Maharashtra, India
5	Corporate address	605-607, 6th Floor, A Wing, Shrikant Chambers, Phase – I, Adjacent to R K Studios, Sion-Trombay Road, Chembur, Mumbai – 400 071, Maharashtra, India
6	Email	sustainability@capacite.in cs@capacite.in
7	Telephone	+91- 22- 71733717
8	Website	www.capacite.in
9	Financial year for which reporting is being done	April 01, 2022, to March 31, 2023
10	Name of the Stock Exchanges where shares are listed	National Stock Exchange of India Limited and BSE Limited
11	Paid up capital – 31.03.2023	6,789.15 Lakh
12	Name and contact details (telephone, email address) of the person who may contacted in case of any queries on the BRSR report	Dinesh Ladwa (dinesh.ladwa@capacite.in)
13	Reporting boundary- Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)	Standalone Basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Infrastructure	Engineering, Procurement & Construction of Highrise & Super Highrise, Retail and Commercial, Gated Communities, Healthcare & factory, Data Centres and Car parks.	100

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No	Product/Service	NIC Code	% of total Turnover Contributed
1.	Construction of Buildings	45400	100%

III. Operations

16. Number of locations where plants and/ or operations/Offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	The Company has executed projects located in the 8 states of India and 01 Union Territory i.e. Maharashtra, Karnataka, Tamil Nadu, Kerala, , Haryana, Telangana, Uttar Pradesh, Bihar and Delhi	Corporate Office/Regional office 01 Nos. in Mumbai 01 Nos. in Delhi Site-Operation office- 01 Nos. in Maharashtra 01 Nos. in Karnataka 01 Nos. in Tamil Nadu 01 Nos. in Kerala 01 Nos. in Delhi 01 Nos. in Haryana 01 Nos. in Telangana 01 Nos. in Uttar Pradesh 01 Nos. in Bihar	11
International	-		

17. Markets served by the entity: **India**

a. Number of locations

Locations	Number
National (No. of states)	The Company has executed projects located in the 8 states of India and 01 Union Territory i.e. Maharashtra, Karnataka, Tamil Nadu, Kerala, Delhi, Haryana, Telangana, Uttar Pradesh, Bihar and Delhi
International (No of Countries)	-

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable

c. A brief on type of customers

The Company provide services to marquee clients in varied portfolio sectors such as Highrise & Super Highrise, Retail and Commercial, Gated Communities, Healthcare & factory, Data Centres and Car parks which includes both private and public sector organisations.

IV. Employees

18. Details as at the end of Financial Year: 2022-2023

a. Employees and workers (including differently abled):

S. No	Particulars	Total (A)	Male		Female	
			No (B)	%(B/A)	No (C)	% (C/A)
		Employees				
1	Permanent (D)	974	909	0.930%	65	0.076%
2	Other than Permanent (E)	739	736	0.100%	3	0.004%
3	**Total Employees (D+E)**	**1713**	**1645**	**0.96**	**68**	**0.04%**
		Workers				
4	Permanent (F)	(No workers on roll of the Company)				
5	Other than Permanent (G)	1062	1061	0.100%	1	0.000%
6	**Total Worker (F+G)**	**1062**	**1061**	**0.100%**	**1**	**0.000%**

b. Differently abled Employees and workers: Nil

S. No	Particulars	Total (A)	Male		Female	
			No (B)	%(B/A)	No (C)	% (C/A)
Differently abled Employees						
1	Permanent (D)	--	--	--	--	--
2	Other than Permanent (E)	--	--	--	--	--
3	**Total differently abled Employees (D+E)**	--	--	--	--	--
Differently abled Workers						
4	Permanent (F)	--	--	--	--	--
5	Other than Permanent (G)	--	--	--	--	--
6	**Total differently abled Worker (F+G)**	--	--	--	--	--

19. Participation/ Inclusion/ Representation of women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	08	02	25%
Key Management Personnel	05	01	20%

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY_2022_2023 (Turnover rate in current FY)			FY_2021_2022 (Turnover rate in previous FY)			FY_2020-2021 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	This will be calculated from next financial year								
Permanent Workers	Not applicable as only thirty-party contract workers are engaged.								

V. Holding, Subsidiary and Associate Companies (including Joint ventures)

21. (a) Names of Holding/Subsidiary/Associate Companies/Joint ventures

S. No	Name of the Holding/ Subsidiary/Associate Companies/Joint ventures (A)	Indicate whether Holding/Subsidiary/ Associate Companies/Joint ventures	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited	Subsidiary	100%	At present, the BR initiatives have been undertaken at parent Company level.
2	PPSL- Capacite JV	Joint Venture	Not applicable	
3	TCC Construction Pvt. Ltd	Associate Entity	37,10,000 Equity shares having face value of 1 INR each (37.10%)	
4	TPL-CIL Construction LLP	Associate Entity	Not Applicable	
5	Capacit'e Viraj AOP	Joint Venture	Not Applicable	
6	Captech Technologies Private Limited*	Associate Entity	1,24,000 Equity shares having Face Value of INR 10 each (39.80%)	
7	CEPL CIL JV	Joint Venture	Not Applicable	
8	CIL SIPL JV	Joint Venture	Not Applicable	
9	Capacite E-Governance JV	Joint Venture	Not Applicable	

* Captech Technologies Private Limited was Associate Entity till September 29, 2022.

VI. CSR details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

(ii) Turnover (in ₹) 1,347,92.33 lakhs (2021-2022)

(iii) Net worth (in ₹) 973.99 crore (2021-2022)

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	0	0	--	0	0	--
Investors (other than shareholders)	No	0	0	--	0	0	--
Shareholders	Yes	1	0	--	5	0	--

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		Remarks
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	
Employees and workers	No	0	0	--	0	0	--
Customers	No	0	0	--	0	0	--
Value Chain Partners	No	0	0	--	0	0	--
Other (please specify)	No	0	0	--	0	0	--

Weblink: https://www.capacite.in/investors/lodr/

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Environment, Social and Governance	Risk	-ESG Due Diligence	ESG policy statement, development/ ESG management system development	Negative
2.	Health & Safety	Risk	- ESG Due Diligence	Training/ Awareness/ review at senior level and board committee. Capacit'e Infrastructure Projects is committed to its zero harm to life.	Negative
3.	Employee & Workforce Engagement, Wellbeing	Opportunity	- ESG Due Diligence	-	Positive
4.	Human Rights & Labour Conditions	Risk	- ESG Due Diligence	CIL ensures its commitment to provide safe, caring and wellbeing of its employee/workers throughout the Company's operation. This is embedded in its various corporate policies like Environment, Health & Safety (EHS) Policy, Protection of Women's Rights at Workplace Policy and the Code of Conduct. Training on various issues related to human rights are covered under new employee induction, EHS training, POSH, code of conduct etc.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Data Security, privacy, and cybersecurity	Risk	- ESG Due Diligence	The data security protocols are implemented by team of IT professionals, which includes- 1) Confidentiality – Ensure 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. CIL also have on premise NAS storage and Cloud Storage to backup critical applications / databases with data backup rule sets	Negative
6.	Social engagement and Impacts	Opportunity	- ESG Due Diligence	-	Positive

Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management Processes										
1.	a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the Policy been approved by the Board (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the policies, if available	https://www.capacite.in/corporate-governance/#1523855515458-5d99829b-c46d								
2.	Whether the entity has translated the policy into procedures (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Do the enlisted policies extend to your value chain partners (Yes/No)	N	N	N	N	N	N	N	N	N

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4.	Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 45001:2018, and ISO 14001:2015	ISO 45001:2018,	-	Indian labour Codes	ISO 14001:2015	-	-	-	-
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any	-	c)		-	-	a)		b)	d)
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	-	c)		-	-	a)		b)	d)

a) 6% Reduction of Cement consumption cost by substituting fly Ash

b) 100% usage of AAC block to minimise the usage of natural clay bricks

c) green building concept in almost 60% of the project

d) Number of lives to be impacted by CSR projects: 5 lakhs by FY 2025

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

The Company is in process of developing ESG policy statement, development/ ESG management system development

	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr Rahul R. Katyal Designation: Managing Director & Chief Executive Officer								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Company's CSR and proposed ESG Committee are/would be responsible for sustainability related issues. The focus of CSR activities are; promotion of healthcare, disaster management. Including relief, rehabilitation and reconstruction activities (Annual Report 2021-2022)								

10. Details of Review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee									Frequency (Annually/half yearly/Quarterly/ Any other- please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	All the policies of the Company are approved by the Board and reviewed periodically or on a need basis. The proposed ESG Committee would be responsible for implementation, reporting and monitoring as a part of ESG review. During the review, the effectiveness of the policies is evaluated and necessary amendments to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	The Company complies with the extant regulations and principles as are applicable.																	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes. CIL conduct audit in various ICs on different subjects such as ISO 14001, ISO 45001 and ISO 9001. During the audit process the performance of the related policies of the company are evaluated. The audit process includes verification of the checking policy elements, procedures, documented records, formats and action plans etc.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/ No)	--	--	--	--	--	--	--	--	--
The entity is not at a stage where it is in a position to formulate and implement the policies on specifies principles (yes/ No)	--	--	--	--	--	--	--	--	--
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	--	--	--	--	--	--	--	--	--
It is planned to be done in the next financial year (yes/no)	--	--	--	--	--	--	--	--	--
Any other reason (please specify)	--	--	--	--	--	--	--	--	--

Not Applicable

Section C: Principle Wise Performance Disclosure

Principle 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicator

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year.

Segment	Total Number of training and awareness programme held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of directors	6 manhours	Company provides following training 1) HSE Induction Training for staff and workers 2) HSE Refresher Trainings 3) Environmental Awareness trainings 4) New employees HSE Induction 5) New Workers HSE Induction at Project Site 6) Top Management & Senior Leadership Team- HSE Appreciation & Orientation Training 7) Project Site Management Team - Annual HSE Outreach Workshop 8) Project Site Execution Team- Annual HSE Outreach Workshop 9) Emergency Response Team- Capacity Building Training 10) First Aiders & Paramedical Staffs- Capacity Building Training 11) Operators & Signalmen - Competency Assessment & Enhancement Training 12) Skilled Workers- Work & Tool specific safety training 13) Unskilled Workers- Work Specific Safety Training 14) Workers- Daily Tool Box Talk 15) Mass Awareness Training 16) Health & Personal Hygiene Training 17) AIDS Awareness Training 18) Visitors - HSE Induction Training/Instructions	100%
Key Managerial Personnel	20 manhours		100%
Employees other than BoD and KMPs	14045 manhours		100%
Workers	52741 manhours		100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in INR)	Brief of the case	Has an appeal been preferred ? (Yes/No)
Penalty/Fine	-	-	Nil	-	-
Settlement	-	-	Nil	-	-
Compounding Fee	-	-	Nil	-	-

Non Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Brief of the case	Has an appeal been preferred ? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

3. Details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
-	-

4. Does the entity have an anti-corruption or anti bribery policy? If yes, please details in brief and if available, provide a web link to the policy.

Yes, The Company has Corporate Integrity policy that may be classified as corruption, bribery or giving or receipt of bribes and the same has been mentioned in its Code of Conduct. The objective of this policy is to serve as a guide for all directors, executives, employees and associated persons for ensuring compliance with applicable anti-bribery laws, rules and regulations. This policy is applicable to all individuals working at all levels and grades, including Board Members and Senior Managerial Personnel, other employees, consultants, contractors, or any other person associated with the Company and such person acting on behalf of the Company

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

There have been no cases involving disciplinary action taken by any law enforcement agency on the charges of bribery / corruption against directors / KMPs / employees / workers that have been brought to the Company's attention

	FY___2022-2023 (Current Financial year)	FY_2021-2022 (Previous Financial year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. Details of complaints with regard to conflict of interest:

	FY_2022-2023 (Current Financial year)		FY_2021-2022 (Previous Financial year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	N.A.	Nil	N.A.
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	N.A.	Nil	N.A.

7. Provide details of any corrective action taken or underway on issues related to fines penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total Number of awareness programme held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
120 Training	CIL HSE system Requirements	100%

2. Does the entity have processes in place to avoid/manage conflict of interest involving members of the Board? (Yes/No) If yes, please details the same.

The Company addresses and manages conflict of interests involving members of the Board which may arise due to Directors joining the Boards of other companies and even conflicts which would take place during the course of normal business activities. The Company however, is yet to develop documented processes and will do so in the next financial year.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	-	-	-
Capex	-	-	-

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, The Company strives to design and construct sustainable Projects which incorporate conservation measures and continuous monitoring of environment. The Company is conscious of the need to conserve resources, especially the ones used in operation, therefore, the Company's philosophy is to make efficient use, eliminating waste, recycling and reusing the material to the extent possible without compromising safety. CIL first priority has always been to use locally available raw materials and labour for the construction activities.

b. If yes, what percentage of inputs were sourced sustainably?

The percentage of the inputs for sustainable sourcing will be evaluated in the next financial year,

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   The Company does not have any specific product to reclaim at the end of life. However, at the project and operation sites, there are systems in place to recycle, reuse and dispose in line with regulatory requirement for the above waste being generated during course of construction and operation. The Company is in the process of developing system for quantification of different waste categories and their subsequent recycle, reuse and disposal.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   EPR is not applicable as the major business of the Company is construction and associated services and the Company does not manufacture any consumer products.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

   Not Applicable

NIC Code	Name of Product/Service	% of total Turnover contributed	Boundary for which the life cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web link
-	-	-	-	-	-
-	-	-	-	-	-

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same

   Not Applicable

Name of Product/Service	Description of the risk/Concern	Action Taken
-	-	-
-	-	-
-	-	-

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY_2022-2023 Current Financial Year	FY_2021-2022 Previous Financial Year
Reduction of Cement consumption cost by substituting fly Ash	--	16%
Usage of AAC block to minimise the usage of natural clay bricks	--	100%
Reuse of construction and demolition waste	4%	9.3%

Indicate input material	Recycled or re-used input material to total material	
	FY_2022-2023 Current Financial Year	FY_2021-2022 Previous Financial Year
Curing wastewater is reused at the site after primary treatment for eliminating dust	100%	100%
Waste steel bars are recycled to manufacture secondary steel	100%	64%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not applicable as the Company does not have any specific consumer product except heavy construction machinery and there is no product reclamation at the end of the product life. However, the waste material generated at the construction and project sites are reused, recycled and disposed as per the applicable regulatory requirements. Construction debris, construction/ curing wastewater, and sewage from camp and site offices are the three principal waste streams generated from construction project sites. The Company 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.

	FY_2022-2023 Current Financial Year			FY__2021-2022 Previous Financial Year		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastic (including packaging)	-	-	0.5 ton	-	-	0.5 ton
E-waste	-	-	-	-	-	
Hazardous waste	-	-	-	-	-	
Other waste	-	-	- Steel Scrap-2926.35 Ton Wooden Scrap-2545.53 Ton Debris-27933 Ton	-	-	Steel scrap – 1540.64 Ton Wooden Scrap – 439.35 Ton Debris - 12761 Ton

5. Reclaimed products and their packaging materials (as percentage of products sold for each product category

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
NA	-

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential indicators

1 a. Details of measures for the well-being of employees (% of employees covered)

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Insurance		Paternity Insurance		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	909	909	100%	909	100%	--	--	--	--	--	--
Female	65	65	100%	65	100%	65	100%	--	--	--	--
Total	**974**	**974**	**100%**	**974**	**100%**	**65**	**100%**	**--**	**--**	**--**	**--**
Other than Permanent Employees											
Male	736	736	100%	736	100%	--	--	--	--	--	--
Female	3	3	100%	3	100%	3	100%	--	--	--	--
Total	**739**	**739**	**100%**	**739**	**100%**	**3**	**100%**	**--**	**--**	**--**	**--**

1 b. Details of measures for the well being of workers (% of workers covered)

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Insurance		Paternity Insurance		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male		--	--	--	--	--	--	--	--	--	--
Female		--	--	--	--	--	--	--	--	--	--
Total		**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
Other than Permanent Workers											
Male		1061	100%	1061	100%	NIL	NIL	--	--	--	--
Female		1	100%	1	100%	1	100%	--	--	--	--
Total		**1062**	**100%**	**1062**	**100%**	**1**	**100%**	**--**	**--**	**--**	**--**

2. Details of retirement benefits, for current FY and Previous Financial Year.

Benefits	FY__2022-23 (Current Financial year)			FY_2021-2022 (Previous Financial year)		
	No. of Employees covered as a % of total employees	No. of Workers covered as a % of total Workers	Deducted and deposited with the authority (Y/N/NA)	No. of Employees covered as a % of total employees	No. of Workers covered as a % of total Workers	Deducted and deposited with the authority (Y/N/NA)
PF	22.24%	-	Y	37.55%	-	Y
Gratuity	54.6%	-	Y	54.66%	-	Y
ESI	5.74%	-	Y	3.76%	-	Y
Other please specify	-	-	-	-	-	-

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

At present the Company is yet to install accessible option for differently abled employees and workers. The Company is proposing to initiate steps towards creating options for accommodating these categories of people in the next financial year, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Company is yet to develop an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016. The Company is committed to revise the existing HR Policy and incorporate the same as part ESGMS.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NIL	NIL	NIL	NIL
Female	3	100%	1	100%
Total	**3**	**100%**	**1**	**100%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/ No **(if Yes, then give details of the mechanism in brief)**
Permanent Workers	The Company is in process to develop Grievance Redressal Policy which will be extended to all employees and workers. The policy will be implemented from this financial year as per ESG Management System. The Company is planning to appoint/ nominate a dedicated Grievance Officer whose contact details will be communicated to all workers onsite. Additionally, Grievance Committee will be established to deal with grievances, which will include management, supervisors and workers' representatives at Level I. A Level II comprising of a mix of management representatives at the corporate level will be considered. The workers will be provided access to lodge anonymous grievances as well and an acknowledgement receipt for raised grievance except for anonymous complaints would be provided to the grievant party.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY (Current Financial Year) 2022-2023			FY (Previous Financial Year 2021-2022		
	Total Employees/ Workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total Employees/ Workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees	NIL	NIL	NIL	NIL	NIL	NIL
Male	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL
Total Permanent Workers	NIL	NIL	NIL	NIL	NIL	NIL
Male	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL

8. Details of training given to employees and workers:

Category	FY 2022-2023 (Current Financial year)					FY 2021-2022 (Previous Financial year)				
	Total (A)	On Health and Safety measures		On Skill upgradation		Total (D)	On Health and Safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	107	--	--	107	19.03%	91	--	--	91	14.70%
Female	15	--	--	15	2.67%	11	--	--	11	1.77%
Total	122	--	--	122	--	**102**	**--**	**--**	**102**	**--**
Workers										
Male	--	--	--	--	--	--	--	--	--	--
Female	--	--	--	--	--	--	--	--	--	--
Total	--	--	--	--	--	**--**	**--**	**--**	**--**	**--**

9. Details of performance and career development reviews of employees and worker:

Benefits	FY 2022-2023 (Current Financial year)			FY 2021-2022 (Previous Financial year)		
	Total (A)	No. (B)	%(B/A)	Total (C)	No. (D)	%(D/C)
Employees						
Male	1590	879	55.28%	1715	969	56.50%
Female	64	27	42.18%	78	43	55.12%
Total	1654	906	54.77%	**1793**	**1012**	**56.44%**
Workers						
Male	796	693	87.06%	NIL	NIL	NIL
Female	2	2	100%	NIL	NIL	NIL
Total	798	695	87.09%	**NIL**	**NIL**	**NIL**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? **(Yes/ No)**. If yes, the coverage such system?

   Yes, the Company has obtained certification for ISO 45001:2018 (Occupational Health & Safety Management System). It covers the entire operation of construction activities and offices.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

   Comprehensive HSE system including HIRA register and Aspect Impact Register has been developed and implemented across its operation. Risk Assessments & Safe Work Method Statement are developed and approved prior to starting any work activity. All identified risks and risk mitigation plans are required to be documented, approved and communicated to all relevant parties involved in the activity.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. **(Y/N)**

   Yes, the Company has processes for workers to report work related hazards and to remove themselves from such risks.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? **(Yes/ No)**

   Yes, first aid facilities are available for both employees and workers.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY__2022-2023 Current Financial Year	FY_2021-2022 Previous Financial year
Lost time Injury Frequency Rate (LTIFR) (per one million person hours worked)	Employee	0.00	0
	Workers	0.08	0.19
Total recordable work-related injuries	Employee	0	0
	Workers	14	15
No .of fatalities	Employee	0	1
	Workers	2	1
High consequence work-related injury or ill health (excluding fatalities)	Employee	0	0
	Worker	5	8

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

   The Company has developed an Integrated Management System (IMS) to demonstrates the capability of organization to continuously provide products and services that address customer requirements and to satisfy legal requirements and improve environmental and occupational health & safety performance of the Company. Additionally, the company has developed and implemented Emergency Response Plan.

   CIL has developed an onsite Emergency Plan. The Plan covers topics concerning Fire and explosion, Collapse of lifting appliances & Transport equipment, Collapse of building, sheds & structures, fall of man / Material from height, Spillage of chemicals, Gas line leakage leading to panic situation, Landslide / cave in, Electrical shock, Natural calamities i.e. flood, earthquake, Cyclone, etc.

13. Number of Complaints on the following made by employees and workers:

Benefits	FY__2022_2023 (Current Financial year)			FY__2021_2022 (Previous Financial year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

* No complaints made by Employees and workers for working conditions and Health safety

14 Assessment for the year

	% of your projects and offices that were assessed (by entity or statutory authorities or third parties)
Health & Safety practices	100%
Working Conditions	CIL has robust Internal audit process in line with ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018, its requirement covers all construction projects and office. Yearly internal audit is conducted in a financial year for all such operations/sites/offices.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

The Company has a practice of incident and accident reporting in terms of loss time accident and incident. Based on the incident and accident reported onsite, root cause analysis of the accident/incident is undertaken to investigate the cause of the event, nature of injury and treatment provided to the affected individual are recorded in the report. This approach supports the company in taking preventive measures to reduce and avoid the occurrence of the accident/ incident of similar nature.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the Company extends life insurance coverage for work related death of its employees and workers.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Yes, the Company ensures that applicable statutory provisions including payment and deduction of statutory dues is incorporated in the contract agreement. The Company is also committed to confirm that the value addition partners are complying with statutory compliances and their validation.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY__2022-2023 (Current Financial year)	FY__2021-2022 (Previous Financial year)	FY 2022-2023 (Current Financial year)	FY2021-2022 (Previous Financial year)
Employee	01	03	02	NIL
Workers	06	08	05	06

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ ~~No~~)

The Company provides transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement. For retirement benefits, the Company provides a defined benefit plan viz. gratuity benefit for its employees. 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.

5. Details on assessment of value chain partners:

As on date the assessment for value chain partners is yet to be conducted, however, this information will be captured before the next financial years.

	% of value chain partners (by value of business done with such partners) that were assessed.
Health and safety practices	--
Working Conditions	--

6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.

As per the internal EHS audit procedure and assessment carried out, all the observations and non-conformances are adequately recorded and notified for closeout. Once closeouts are done, they are recorded with details of closeouts.

The Health, Safety & Environment Management system has been reviewed and aligned to be a part of and fully incorporated into the contract between contractor and the Company. Its purpose is to set forth the areas of EHS concerns and requirements routinely. The contractor system is intended to supplement any contractual requirements, including EHS Management System manual, guidelines, Standard Operating Procedures, any requirements of client, as well as contractor and sub contractor's own EHS Programme

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential group

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholder Group	Stakeholder Identification
Suppliers/ Contractors	The Company as an EPC engages with third party contractors to perform sub task of construction activities. Additionally, the Company also engages with registered vendors/ supplier to source of key raw materials e.g., cement, aggregates, steel and other materials for construction projects, and high-grade metals.
Government Bodies	The Company provides services to public sector clients accounting to 61.57% of its business. In addition to this, the government regulatory bodies issue the permits and license which are applicable to the Company's operation for different states. Further, the regulatory bodies also oversee the compliance of the conditions issued in the permits and licenses. The standards set by these regulatory bodies act as benchmark to control the emission/pollution generated from the construction activity.
Customers	The Company has been providing its services to a host of clients and the private sector clients captures almost 38.43% of its business.
Employees and Workforce	Construction is a labour-intensive activity, and CIL employs over 113916 workers. Hence, their skills development, health and well-being are important for the Company's ongoing and future operations.
Investor/ Lenders	Investors make an important contribution to the growth of the company by providing financial resources for short term i.e., working capital and long term i.e., capital expenditure and investments.
Communities	CIL helps catalyse socio-economic development of communities around its premises and at various locations across the country. Focus is on under-privileged and marginalized sections to enable them to bring them on-par with others.
Shareholders	Shareholders make an important contribution to the growth of the company by providing inputs to the Company's operation through board meetings. They also play significant role through exercise of their voting rights with respect to Company's growth.
Media	Media acts as important channel of communication of Company's performance, policies and plans. They also help in reverse loop in highlighting concerns or issues related to the Company. In order to ensure that there are no gaps in communication, engagement with media entities is a continuous process.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as vulnerable & marginalized group Yes/No)	Channels of Communication (Emails, SMS, Newspaper, Pamphlets, Advertisement, Community Meeting, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/ Quarterly/ Others-Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Lender/ Investors	No	Emails, Meetings, Calls.	On Going	Lending and Compliance of Terms, Resolving Investor Quires and apprising investors of latest relevant development
Shareholder	No	Emails, Meetings, Calls.	Quarterly Con Call	Shareholders Quires and apprising investors of latest relevant development
Suppliers/ Contractors	No	Regular vendor and supplier meets	As and when required	Need and expectation, schedule, need for awareness and other training, their regulatory compliance, EHS performance etc.
Government Bodies	No	Press Releases, Annual Reports, Stock Exchange filings, issue specific meetings, representations	As and when required	Reporting requirement, statutory compliance, support from authority and resolution of issues
Customers	No	Business interactions, client satisfaction surveys	Annually	Customer satisfaction and feedback. Project delivery, timeline, challenges that are faced during execution.
Employees and Workforce	No	Employee satisfaction surveys, • Circular and messages from corporate and line management • Corporate social initiatives • Welfare initiatives for employee and their families • Online news bulletins to convey topical developments • CSR Programme	As and when required	Employees' growth and benefits, their expectation, volunteering, career growth, professional development and continuing education and skill training etc.
Media	No	Press Releases, Annual Reports, AGM (shareholders interaction), Access information and media interactions	As and when required	Performance reporting, good practices, show cases, awards and achievements, initiatives etc are discussed and reported
Communities	Yes (Some of the Company's CSR Project Beneficiaries)	Direct engagement and through the Company's CSR project implementation partners (NGO)	As per CSR Annual Plan	Their expectation and feedback on impact/success of CSR project. Also review scale up potentials and further engagement scope.

Leadership Indicators

1 Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company is proposing to set up a ESG Committee for Environment, Social & Governance and performance monitoring. In addition, the Company has also set up CSR Committee, Risk Management Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee and Audit Committee (Chaired by Independent Director).

The CSR Committee is a committee constituted by the Board and is chaired by an Executive Director & CFO. The Board Risk Management Committee is constituted by the Board and is chaired by an Independent Director. The Stakeholders' Relationship Committee is constituted by the Board and is chaired by an Independent Director. The Nomination & Remuneration Committee is constituted by the Board and is headed by Independent Director. The other Committees mentioned here are internally constituted committees

Quarterly performance update and reviews were conducted by the respective committees on these topics and consolidated performance report and outcome were presented to the Board in their quarterly meetings. The Company is planning to conduct stakeholder engagement exercise on ESG aspects. As per their respective terms of reference, the various Committees (statutory as well as internal) meet periodically to review the performance of the Company in various areas.

2 Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (~~Yes~~ / **No**). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The Company is yet to develop a strategy to support the identification and management of environmental, and social topics.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder group

There were about 12,000 CSR Beneficiaries recorded through CSR activities undertaken by the Company. Through regular interaction with the community's all-round development of the communities is ensured. The long- term value for the communities through CSR initiatives is one of the commitments of the Company. Currently, the focus areas of CSR activities are: promotion of health care; disaster management, including relief, rehabilitation and reconstruction activities

Principle 5: Businesses should respect and promote human rights

Essential indicator

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY_2022-2023 (Current Financial year)			FY__2021-2022 (Previous Financial year)		
	Total (A)	No. of Employees/ Workers covered (B)	%(B/A)	Total (C)	No. of Employees/ Workers covered (D)	%(D/C)
Employees						
Permanent	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-
Total Employees	-	-	-	-	-	-
Workers						
Permanent	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-
Total Workers	-	-	-	-	-	-

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY__2022-2023 (Current Financial year)					FY_2021-2022 (Previous Financial year)				
	Total (A)	Equal to Minimum wage		More than Minimum wage		Total (D)	Equal to Minimum wage		More than Minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	935	-	-	935	100%	**972**	-	-	972	100%
Male	868	-	-	868	100%	**912**	-	-	912	100%
Female	67	-	-	67	100%	**60**	-	-	60	100%
Other than Permanent	727	-	-	727	100%	**682**	-	-	682	100%
Male	724	-	-	724	100%	**678**	-	-	678	100%
Female	3	-	-	3	100%	**4**	-	-	4	100%
Workers										
Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

3 Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	3	2000000	-	-
Key Managerial Personnel	-	-	1	175000
Employees other than BoD and KMP	2534	40817.5	102	43025
Workers	-	-	-	-

4 Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (**Yes**/~~No~~)

The HR Head of the Company is a single focal point for addressing the human rights issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

All grievances are addressed as and when received by the respective Supervisor/ Managers and through Admin in coordination with HR. All the grievances received are duly investigated and appropriate actions are taken to resolve the issue/complaint. Whenever required, disciplinary actions are initiated as deemed fit and assistance from regulatory authority is sought.

6. Number of Complaints on the following made by employees and workers:

	FY_2022-2023 (Current Financial year)			FY_2021-2022 (Previous Financial year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	01	0	-	02	0	-
Discrimination at Workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7 Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has a POSH Policy for the protection of women at workplace to ensure their rights are protected, grievances are received, unbiased investigation are conducted and appropriate measures are undertaken. The POSH policy ensures that the employees can report, without fear of retaliation, any concerns relating to harassment or wrong practices and inappropriate behaviour which may have a detrimental effect on the individual.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No

9. Assessment for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	NA
Forced Labour/Involuntary Labour	NA
Sexual Harassment	NA
Discrimination at Workplace	NA
Wages	NA
Others- please specify	NA

10 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Nil

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

No complaint received in FY22 for human rights violation.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Nil

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

At present the Company is yet to install accessible option for differently abled employees and workers. The Company is proposing to initiate steps towards creating options for accommodating these categories of people in the next financial year, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Details on assessment of value chain partners:

As on date the assessment for value chain partners is yet to be conducted, however, this information will be captured before the next financial years.

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at Workplace	-
Child Labour	-
Forced Labour/Involuntary Labour	-
Wages	-
Other please specify	-

5 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable

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

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY__2022-2023 (Current Financial year)	FY__2021-2022 (Previous Financial year)
Total Electricity consumption (A)	18332576 KWH (65997273Joules)	15704155 KWH (56534958Joules)
Total fuel consumption (B)	516641Ltr (52346066Joules)	276770 Ltr (28042336.4Joules)
Energy Consumption through other sources (C)	NIL	NIL
Total energy consumption (A+B+C)	(118343339 Joules)	(437464491 Joules)
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.0008	0.0004
Energy intensity (optional) – the relevant metric may be selected by the entity	NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – The calculation is undertaken by the internal team therefore; third party evaluations are carried out.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (¥/**N**) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India

3. Provide details of the following disclosures related to water, in the following format:

Parameter		FY__2022-2023 (Current Financial year)	FY__2021-2022 (Previous Financial year)
Water withdrawal by source (in kilolitres)			
(i)	Surface water	NIL	NIL
(ii)	Groundwater	NIL	NIL
(iii)	Third party water	5830246 KL	6399577 KL
(iv)	Seawater/ desalinated water	NIL	NIL
(v)	Others	NIL	NIL
Total volume of water withdrawal (in kilolitres)		NIL	NIL
Total volume of water consumption (in kilolitres)		5830246 KL	6399577 KL
Water intensity per rupee of turnover (water consumed/turnover)		0.0004	0.0007
Water intensity (optional)- the relevant metric may be selected by the entity		NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency- No any independent evaluations carried out

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Given the nature of operations of the Company as EPC, the Zero Liquid Discharge is applied in case to case as per regulatory requirement.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY__2022_2023 (Current Financial year)	FY_2021-2022 (Previous Financial year)
NOx	µg/m³	Total- 63.9 Average- 31.95	Avg 22.7
SOx	µg/m³	Total- 34 Average- 17	Avg 12.08
Particulate matter (PM)	µg/m³	PM10 Total- 183.2 Average- 91.6 PM2.5 Total- 86.8 Average-43.4	Avg 62.7
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others- please specify	mg/m³ µg/m³	CO Total- 1.48 Average- 0.74 Ozone Total- 19.2 Average-9.6	Avg 0.36

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Aditya Environmental Services Pvt. Ltd. as an external agency has been appointed for calculating air emissions.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

The Company is yet to calculate GHG emission for Scope1 and Scope 2, the same data will be provided from the next financial years.

Parameter	Unit	FY__2022_2023 (Current Financial year)	FY_2021-2022 (Previous Financial year)
Total Scope 1 emissions (Break up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	-	-
Total Scope 2 emissions (Break up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional)-the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

No, the Company is yet to undertake project and initiatives to reduce its Scope 1 and Scope 2 emissions. From next financial year, the Company will commit to reduce its GHG emission upon calculation of Scope 1 and 2 emission and will set target to reduce the calculated emission.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY_2022-2023 (Current Financial year)	FY_2021-2022 (Previous Financial year)
Total Waste Generated (in metric tonnes)		
Plastic waste (A)	0.5 ton	0.5 ton
E-waste (B)	NIL	NIL
Bio-medical waste (c)	NIL	NIL
Construction and demolition waste (D)	FY 2022- 27933 Ton	FY 2021- 12761Ton
Battery Waste (E)	NIL	NIL
Radioactive waste (F)	NIL	NIL
Other Hazardous waste. Please specify, if any. (G)	NIL	NIL
Other Non-hazardous waste generated (H). Please specify, if any Break-up by composition, i.e., by materials relevant to the sector)	Steel Scrap - (Ton)- 2926 ton Wooden Scrap (Ton)- 2545.53 Ton	Steel Scrap- 1540 Ton, Wooden Scrap - 439 ton
Total (A+B+C+D+E+F+G+	33404 Ton	14740 Ton
For each category of waste generated, total waste recovered through recycling, reusing or other recovery operations (in metric tonnes)		

Parameter	FY_2022-2023 (Current Financial year)	FY_2021-2022 (Previous Financial year)
Category of waste		
(i) Recycled	Construction debris approx..1232 ton Waste steel bars recycled approx. 2926 Ton	Construction debris approx. 1232-ton Waste steel bars recycled approx. 2428 Ton
(ii) Reused	Curing wastewater is reused approx. 164368 KL	Curing wastewater is reused approx. 182438 KL
(iii) Other recovery operations	NIL	NIL
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NIL	NIL
(ii) Landfilling	27933 ton	12761 ton
(iii) Other disposal operations	NIL	NIL
Total	27933 ton	12761 ton

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

   CIL is certified under ISO 14001:2015 and the scope covers its entire operations including offices and construction projects. Under the Environmental Management System, the Company has guidelines for comprehensive waste management for the identification, segregation, collection, recycling and final disposal. The Company has also prepared Waste Management Plan for minimization of the waste generation of waste and maximizing the internal and external recycling of materials. Wherever applicable the company follow 3R principles (Reuse, Recycle, Recovery) for waste management. Awareness sessions are undertaken for the employees who have a role and responsibility towards waste management.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

    The Company primarily function as Engineering, Procurement, and Construction basis, therefore, this information is not applicable to the Company.

Sr. No	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with ? (Y/N) If no, the reasons thereof and corrective action taken, if any.
-	-	-	-

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

The Company primarily function as Engineering, Procurement, and Construction basis, therefore, this information is not applicable to the Company.

Name of brief details of Project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/ No)	Relevant web link
--	-	-	-	-	-
-	-	-	-	-	-

12 Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

All the Company's projects follow the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder.

Sr. No	Specify the law/regulation/ guidelines which was not complied with	Provide details of the non compliance	Any fines/ penalties / actions taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
-	-	-	-	-
-	-	-	-	-

No any such penalty /fines imposed on company.

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY__2022-2023 (Current Financial year)	FY_2021-2022 (Previous Financial year)
From renewable sources		
Total electricity consumption (A)	-	-
Total Fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewables sources (A+B+C)	-	-
From non-renewables sources		
Total electricity consumption (D)	18332576 KWH	15704155 KWH
Total Fuel consumption (E)	516641 Ltr	276770 Ltr
Energy consumption through other sources (F)	NIL	NIL
Total energy consumed from non- renewables sources (D+E+F)	(118343339 Joules)	(437464491 Joules)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Provide the following details related to water discharged:

No wastewater is discharged from any office. Curing wastewater generated from site is reused at the site after primary treatment.

Parameter	FY__2022-2023 (Current Financial year)	FY_2021-2022 (Previous Financial year)
Water discharge by destination and level of treatment (in Kilolitres)		
(i) To surface water		
- No treatment	-	-
- With treatment- please specify level of treatment	-	-
(ii) To groundwater		
- No treatment	-	-
- With treatment- please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment- please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment- please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment- please specify level of treatment	-	-
Total Water discharged (in Kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/~~N~~) If yes, name of the external agency.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

The Company is yet to map this data and the same will be provided in the next financial year. For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area

(ii) Nature of operations

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY__2022-2023 (Current Financial year)	FY__2021-2022 (Previous Financial year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NIL	NIL
(ii) Groundwater	NIL	NIL
(iii) Third party water	5830246 KL	6399577 KL
(iv) Seawater/ desalinated water	NIL	NIL
(v) Others	NIL	NIL
Total volume of water withdrawal (in kilolitres)	NIL	NIL
Total volume of water consumption (in kilolitres)	5830246 KL	6399577 KL
Water intensity per rupee of turnover (water consumed/turnover)	0.0004	0.0007
Water intensity (optional)- the relevant metric may be selected by the entity	NIL	NIL

Parameter	FY__2022-2023 (Current Financial year)	FY__2021-2022 (Previous Financial year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To surface water		
No treatment	NIL	NIL
With treatment- please specify level of treatment	NIL	NIL
(ii) To groundwater		
No treatment	NIL	NIL
With treatment- please specify level of treatment	NIL	NIL
(iii) To Seawater		
No treatment	NIL	NIL
With treatment- please specify level of treatment	NIL	NIL
(iv) Sent to third parties		
No treatment	NIL	NIL
With treatment- please specify level of treatment	NIL	NIL
(v) Others		
No treatment	NIL	NIL
With treatment- please specify level of treatment	NIL	NIL
Total Water discharged (in Kilolitres)	NIL	NIL

Note: Indicate if any independent assessment/ evaluation/assurance has beencarried out by an external agency? (Y/N) If yes, name of the external agency.

3. Please provide details of total Scope 3 emissions & its intensity, in the following format:

The Company is yet to calculate Scope 3 emission; the same data will be provided from the next financial years.

Parameter	Unit	FY__2022-2023 (Current Financial year)	FY__2021-2022 (Previous Financial year)
Total Scope 3 emissions (Break up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The Company primarily function as Engineering, Procurement, and Construction basis, therefore, this information is not applicable to the Company.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiatives (Web link, if any, may be provided along with summary)	Outcome of the initiatives
1	Construction debris are used for Backfilling purpose, waste steel bars are recycled to manufacture secondary steel.	-	-
2	Curing wastewater is reused at site after primary treatment for eliminating dust	-	-

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

The Company analyse the risk caused by the natural events and have put in place appropriate risk assessment system. External experts and specialists are enlisted to assess this risks, identify measures to minimise the risk, and evaluate the effectiveness of the measures,

The Company has established emergency preparedness plans at each project site to deal with the emergency situations. It also provides response procedures for preventing and mitigating the hazard & risk and environmental impacts arising from emergency situations including the provision for first aid. In the event of any occurrence of an emergency, the same shall be investigated and appropriate preventive measures would be initiated to avoid recurrence in future. The duties and responsibilities of all the workers are being communicated periodically.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant adverse impact reported from any contractor or vendors. Code of Conduct (CoC) has been extended to vendors and service providers which covers the need for compliance with environmental regulations, health and safety, labour practices, human rights aspects, minimum wages, freedom of association, prohibition of child labour and forced labour, ethical behaviour, transparency in business processes and environment conservation. Timely internal environmental management system audit for ISO 14001:2015 and external audits are conducted to evaluate compliance which also includes the Company's contractors and vendors.

9 Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts

This data will be calculated from next financial year.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicator

1. a. Number of affiliations with trade and industry chambers/ associations.

The Company does not have any trade and industry chambers/ associations.

1. b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

The Company does not have any trade and industry chambers/ associations.

Sr. No	Name of the trade and industry chambers/ associations	Reach of trade and industrychambers/ associations (State/National)
-	-	-
-	-	-
-	-	-
-	-	-

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

The Company reported no such cases.

Name of authority	Brief of the case	Corrective action taken
-	-	-
-	-	-

Leadership indicators

1. Details of public policy positions advocated by the entity:

The Company proactively engages with various stakeholders including governments, communities, media and provides its inputs on various areas such as infrastructure development and construction etc. The Company ensures commitment to engage in the public policy advocacy process in a responsible and ethical manner.

Sr. No	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually/half yearly/Quarterly/others- please specify)	Web link, if available
	-	-	-	-	-
	-	-	-	-	-

PRINCIPLE 8: Business should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

   Nil

Name and Brief details of the project	SIA Notification No.	Date of Notification	Whether conducted by Independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

   Not applicable as the Company has not undertaken any rehabilitation and resettlement.

Sr. No	Name of Projects for which R&R is ongoing	State	District	No. of Project Affected families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-

3. Describe the mechanisms to receive and redress grievances of the community.

   The Company is in process to develop Grievance Redressal Policy which will be extended to all employees and workers. The policy will be implemented from this financial year as per ESG Management System

   The Company is planning to appoint/ nominate a dedicated Grievance Officer whose contact details will be communicated to all workers onsite.

   Additionally, Grievance Committee will be established to deal with grievances, which will include management, supervisors and workers' representatives at Level I. A Level II comprising of a mix of management representatives at the corporate level will be considered. The workers will be provided access to lodge anonymous grievances as well and an acknowledgement receipt for raised grievance except for anonymous complaints would be provided to the grievant party.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY__2022-2023 (Current Financial year)	FY__2021-2022 (Previous Financial year)
Directly sourced from MSMEs/small producers	1,75,74,80,048 – 100%	1,03,19,63,225 – 100%
Sourced directly from within the district and neighbouring districts	1,75,74,80,048 – 100%	1,03,19,63,225 – 100%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact assessments (Reference: Question 1 of Essential Indicators above):

   Nil

Details of negative social impact identified	Corrective Action taken
-	-
-	-

2 Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. No	State	Aspirational District	Amount Spent (in INR)
	Maharashtra	Mumbai, Navi Mumbai and Pune	111.80 lakhs

3 a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

The Company has developed a draft procurement procedure. The procurement currently is based on competitive bidding/ based process. No other preferential procurement is undertaken by the Company from marginalized/ vulnerable groups.

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

   Not applicable as the Company does not have any intellectual properties owned or acquired by the entity based on traditional knowledge.

Sr. No	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/ No)	Benefits shared (Yes/No)	Basis of calculating benefits share
-	-	-	-	-
-	-	-	-	-

5 Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

Not Applicable

Name of authority	Brief of the Case	Corrective action taken
-	-	-
-	-	-

6. Details of beneficiaries of CSR projects

Sr. No	CSR Project	No. of Persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1.	Promotion of health care, disaster management, including relief, rehabilitation and reconstruction activities	12000+	-

PRINCIPLE 9: Business should engage with and provide value to their customers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback

   The Company has a robust system for addressing customer/ client complaints, if any. There are no customer complaints pending in the reporting year.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

   The Company primarily function as Engineering, Procurement, and Construction basis and no product are developed in the Company's capacity, therefore, this information is not applicable to the Company.

	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	-
Recycling and/or safe disposal	-

3. Number of consumer complaints in respect of following

   -NIL reported.

	FY__2022-2023 (Current Financial year)		Remarks	FY__2021-2022 (Previous Financial year)		Remarks
	Received during the year	Pending resolution at end of the year		Received during the year	Pending resolution at end of year	
Date Privacy	--	--	--	--	--	--
Advertising	--	--	--	--	--	--
Cyber-security	--	--	--	--	--	--
Delivery of essential services	--	--	--	--	--	--
Restrictive trade Practices	--	--	--	--	--	--
Unfair Trade practices	--	--	--	--	--	--
Other	--	--	--	--	--	--

4 Details of instances of product recalls on account of safety issues:

Not Applicable

	Name	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5 Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Company has developed an Information Technology Policy Manual which covers details of equipment usage, internet usage, information security, email, software usage. However, the same is yet to be disclosed on the Company's official website.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

None

Leadership Indicators

1 Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The Company's business offering can be assessed from this website link https://www.capacite.in/portfolio/

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

None

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

None

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not Applicable

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

Nil

b. Percentage of data breaches involving personally identifiable information of customers

Nil

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, 2023 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 2022-23:

April 28, 2022	May 27, 2022	August 09, 2022	November 10, 2022
February 13, 2023	March 24, 2023		

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	Category of Directorship
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 26, 2022	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	5	Yes	1	Nil
Mr. Rahul R. Katyal (DIN: 00253046)	Managing Director & Chief Executive Officer	5	Yes	Nil	Nil
Mr. Subir Malhotra (DIN:05190208)	Executive Director	5	Yes	Nil	Nil
Mr. Rohit R. Katyal (DIN: 00252944)	Executive Director & Chief Financial Officer	6	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	6	Yes	Nil	Nil
Mr. Sumeet S. Nindrajog (DIN: 00182873)	Non-Executive Non-Independent Director	6	Yes	Nil	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.

The Shareholders in the Annual General Meeting held on September 26, 2022 had re-appointed Mr. Rohit R. Katyal (DIN:00252944) Executive Director of the Company liable to retire by rotation and re-apponited Mr. Rahul R. Katyal (DIN: 00253046) Executive Diretor as Managing Director of the Company for the period of 3 years with effect from September 04, 2022 to September 03, 2025.

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/2023/03/FamiliarizationFY2022-23-CIL-06.03.2023_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 06, 2023 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 2022-23 the Audit Committee met 5 times.

Dates on which Meetings of Audit Committee was held during Financial Year 2022-23

May 27, 2022	August 09, 2022	November 10, 2022	February 13, 2023
March 24, 2023			

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	5
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. management letters / letters of internal control weaknesses issued by the statutory auditors;

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

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

5. 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 2022-23, the Nomination and Remuneration Committee met 1 (One) time on August 09, 2022.

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

Name of the Member	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	1	1
Farah Nathani Menzies	Member	Non-Executive Independent Director	1	1
Sumeet S. Nindrajog	Member	Non-Executive Non-Independent Director	1	1
Arun Vishnu Karambelkar	Member	Non-Executive Independent Director	1	1

Ms. Varsha Malkani, Company Secretary was also the Secretary to the Committee up to May 15, 2023

Terms of Reference:

The terms of reference of the Nomination and Remunartion 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 2022-23, 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 keeps themselves well informed about the company and the external environment in which it operates.

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

9. 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.

10. 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.

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

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

13. 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 2022-23, the Stakeholders Relationship Committee Meeting was held on March 24, 2023.

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

Name of the Member	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, was working as Company Secretary & Compliance Officer of the Company pursuant to Regulation 6 of the SEBI Listing Regulations up to May 15, 2023.

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, 2022	Received during the year	Resolved during the year	Pending as on March 31, 2023
Nil	1	1	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 2022-23, the Risk Management Committee met twice.

Dates on which Meetings of Risk Management Committee was held during Financial Year 2022-23

September 26, 2022	March 24, 2023

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 Member	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	2
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	2

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 2022-23, the Meetings of the CSR Committee were held on August 09, 2022 and March 24, 2023.

Name of the Member	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	2
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 2022-23 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.

    Committee had meet time to time to discuss the normal day to day matters.

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 2022-23 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	2,40,000	2,00,000
Sitting fees the Committee Meetings	90,000	90,000	75,000
Commission payable for FY 2022- 23	3,00,000	3,00,000	3,00,000
Others, please specify	Nil	Nil	Nil

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 2022-23 are as under:

Name	Designation	Gross Remuneration (in ₹)				
		Basic Salary	Contribution to Provident Fund	Perquisites	Variable	Total
Mr. Rohit R. Katyal	Executive Director & CFO	2,04,30,000	NA	-	-	**2,04,30,000**
Mr. Rahul R. Katyal	Managing Director & CEO	2,03,55,000	NA	-	-	**2,03,55,000**
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
2021-22	At the Registered Office of the Company through Video Conference ("VC") / Other Audio Visual Means ("OAVM") facility	September 26, 2022, Monday at 11.30 A.M.	1. Re-appointment of Mr. Rahul Ramnath Katyal (DIN: 00253046) as Managing Director of the Company.

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.
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.

The details of Extra Ordinary General Meetings convened during the financial year is as follows:

Financial Year	Venue	Date, Day & Time	Special Resolution passed
2022-23	At the Registered Office of the Company through Video Conference ("VC") / Other Audio Visual Means ("OAVM") facility	May 26, 2022, Thursday at 11:30 A.M.	1. Issuance and allotment of 31,00,000 fully convertible warrants on preferential basis.

Details of special resolutions passed last year through Postal Ballots:

During the financial year 2022-23, 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 : September 21, 2023 Time:. 11.00 a.m 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. 10/2022 dated December 28, 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 No SEBI/HO/ CFD/ CMD2/ CIR/P/ 2021/11 dated January 15, 202, Circular No SEBI/HO/ CFD/ CMD2/ CIR/P/ 2022/62 dated May 13, 2021 and Circular No SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 issued by the Securities and Exchange Board of India ("SEBI Circular")
II	Financial Year	April 1, 2022 to March 31, 2023
III	Book Closure Date	September 15, 2023 to September 21, 2023 (both days inclusive)
IV	Financial Results	First Quarter Result : by first fortnight of August, 2023 Half Year Result : by first fortnight of November, 2023 Third Quarter Results : by first fortnight of February, 2024 Annual Results : by Second fortnight of May, 2024
V	Dividend Payment Date	During the year ended 31 March, 2023, 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 2023-24 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 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	Ms.Varsha Malkani, Company Secretary & Compliance Officer – Up to May 15, 2023 Mr Dinesh Ladwa was appointed as Compliance Officer w.e.f May 16, 2023 and further appointed as Company Secretary w.e.f. August 11, 2023

XII. Market Price Data:

The high and low share prices and volumes at BSE and NSE for the financial year 2022-23 are as under:

Month	NSE			BSE		
	High (₹)	Low (₹)	Volume (No.)	High (₹)	Low (₹)	Volume (No.)
Apr-22	147.50	109.10	59,42,707	147.40	109.90	6,25,937
May-22	141.30	103.40	37,26,050	140.95	103.55	5,14,774
Jun-22	128.00	98.20	26,12,011	127.80	98.35	2,25,423
Jul-22	128.85	107.40	28,92,402	128.80	106.60	5,71,995
Aug-22	177.30	105.10	1,65,89,451	177.70	105.05	25,62,817
Sep-22	192.35	149.00	1,26,21,561	192.35	149.55	13,15,171
Oct-22	174.30	156.55	35,82,189	174.15	155.55	3,90,165
Nov-22	164.00	137.60	32,61,533	163.95	137.95	2,65,474
Dec-22	162.00	124.15	69,66,733	161.50	124.40	4,60,545
Jan-23	166.00	135.50	67,33,094	166.00	134.85	5,85,866
Feb-23	153.90	114.60	63,98,665	153.85	114.55	5,07,125
Mar-23	133.50	108.90	66,51,591	134.35	108.90	4,03,148

Period	NSE		NIFTY		BSE		SENSEX	
	High (₹)	Low (₹)	High	Low	High (₹)	Low (₹)	High	Low
From April 01, 2022 to March 31, 2023	192.35	98.20	18973.05	15445.80	192.35	98.35	63583.07	50921.22

[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 Registrar & Share Transfer Agent, KFin Technologies 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.

XIV. Distribution of Shareholding:

Distribution of shareholding of shares of your Company as on March 31, 2023 is as follows:

Sr. No.	Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1.	1-5000	42,571	98.95	81,85,105.00	12.06
2.	5001-10000	189	0.44	14,06,148.00	2.07
3.	10001-20000	120	0.28	17,75,588.00	2.62
4.	20001-30000	37	0.09	9,28,373.00	1.37
5.	30001-40000	17	0.04	5,76,242.00	0.85
6.	40001-50000	11	0.03	4,93,938.00	0.73
7.	50001-100000	27	0.06	21,48,331.00	3.16
8.	100001 and above	51	0.12	5,23,77,772.00	77.15
	TOTAL	43,023	100.00	67,891,497.00	100.00

XV. Categories of Shareholders:

Categories of Shareholders and break-up of shareholding as on March 31, 2023 is as follows:

Category	No. of Shareholders	Total number of shares held	% of total Equity
Promoter & Promoter Group	7	2,62,37,165	38.65
Bodies Corporates	225	81,73,075	12.04
Resident individuals	40,516	1,88,78,972	27.81
Trust	2	3,508	0.01
Alternative Investment Fund	2	60,79,403	8.95
Foreign Portfolio Investors-Corp	36	44,29,476	6.52
Mutual Funds	1	16,98,945	2.50
Non- Resident Indians	452	6,67,704	0.98
Banks/ Financial Institutional	0	0	0.00
Clearing Members	20	42,264	0.06
Non-Resident Indian Non Repatriable	226	4,51,826	0.67
HUF	1,536	12,29,159	1.81
Foreign Nationals	0	0	0.00
TOTAL	43,023	6,78,91,497	100.00

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, 2023, 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, 2023	No. of Shares	% of Total Issued Capital
Shares held in dematerialised form in CDSL	3,28,47,125	48.38
Shares held in dematerialised form in NSDL	3,50,44,367	51.62
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/ (Foreign Currency) or any other Instruments which can have an impact on the equity share capital of the Company.

Further, The Company has issued 31,00,000 Convertible Warrants to Promoters Group, with an option to convert them in equity by December 2023.

XVIII. Foreign Exchange risk and Hedging activities:

The Company does not have any unhedged foreign currency exposure. The Company has not borrowed any forex loans for capex or otherwise. Payments to suppliers of imported Capex Equipments are made either directly or through LCs based on the exchange rate prevailing on the date of payment.

Thus by adopting the above methodology, the Company takes suitable steps from time to time for protecting it against foreign exchange risk(s).

XIX. Credit Rating

Details of credit rating of Debt Instruments of the Company is mentioned in Director's Report para (h)

XX. Address for Correspondence:

Company's Registrar and Share Transfer Agent Address:	**Registered Office Address:**
KFin Technologies 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

XXI. 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 11th AGM and the Annual Report for the financial year 2022-23, are being sent only by email to the Members. Members may note that this Notice and Annual Report 2022-23 will be available on the Company's website www.capacite.in, websites of the Stock Exchanges i.e. Bombay Stock Exchange 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 entered into transaction with a related party named TPL-CIL Construction LLP, which could be considered material in accordance with the policy of the Company on materiality of related party transactions.However, the said related party transaction was in the Company's interest and did not had any potential conflict with the interests of Company.

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:** None

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 https://www.capacite.in/wp-content/uploads/2019/04/Vigil-Mechanism-Policy-final-PDF.pdf

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 2022-23.

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 https://www.capacite.in/wp-content/uploads/2019/05/Policy-for-determining-material-subsidiary.pdf

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 November 10, 2022 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.https://www.capacite.in/corporate-governance/#1523855515458-5d99829b-c46d

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 https://www.capacite.in/corporate-governance/#1523855515458-5d99829b-c46d

G. During the year under review, the company had raised funds through share warrants and 12.5% redeemable non convertible debentures. Amount raised, utilized and its balance as on March 31, 2023 are available under note no. 15A(c) and note no. 16B respectively in Standalone Financial Statements as on 31st March, 2023.

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 which has been annexed herewith forming part of this report.

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 FY2022-23 (₹ in Lakhs)
1.	Statutory Audit and limited review	73.00
2.	Other services including certification works	3.00
3.	Out of pocket expenses	-
TOTAL		76.00

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 2022-23:**

a. number of complaints filed during the financial year : 1

b. number of complaints disposed of during the financial year : 1

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

L. **Disclosure by listed entity and its subsidiaries of 'Loans and advances' 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. **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries to be provided:** Not Applicable

N. 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, we 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, 2023.

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 26, 2023
Place : Mumbai

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, 2023** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	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
Unique ID: S2011MH151000

Shreyans Jain (Proprietor)
FCS No. 8519
C.P. No. 9801
UDIN: F008519E000259847
PR NO.1118/2021

Place: Mumbai
Date: May 05, 2023

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, 2023 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, 2023 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 26, 2023
Place : Mumbai

Independent Auditor's Report on compliance with the conditions of Corporate Governance

The Members of
Capacit'e Infraprojects Limited

1. The Corporate Governance Report prepared by Capacit'e Infraprojects Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2023 as required by the Company for annual submission to the Stock exchange. The said Corporate Governance report is initialed by us for identification purpose.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include the following:

i. Read and understood the information prepared by the Company and included in its Corporate Governance Report.

ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non- executive directors has been met throughout the reporting period;

iii. Obtained and read the Register of Directors as on March 31, 2023 and verified that at least one independent woman director was on the Board of Directors throughout the year;

iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 01, 2022 to March 31, 2023

   (a) Board of Directors;

   (b) Audit Committee;

   (c) Annual General Meeting (AGM);

   (d) Nomination and Remuneration Committee;

   (e) Stakeholders Relationship Committee;

   (f) Risk Management Committee.

v. Obtained necessary declarations from the directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions

vii. Obtained the schedule of related party transactions during the year and balances at the year- end.

viii. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved by the audit committee.

ix. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

9. Based on the procedures performed by us , as referred in paragraph 7 above and according to the information and explanations given to us , we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023.

Other matters and Restriction on Use

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

per Jayesh Gandhi
Partner
Membership Number: 37924
UDIN: 23037924BGXUAO8621

Place of Signature: Mumbai
Date: July 25, 2023

MANAGEMENT DISCUSSION AND ANALYSIS

Economic overview

Indian economy

The Indian economy's sound economic fundamentals have kept it buoyed amid global headwinds. The domestic economy sustained its position as the one of the fastest-growing major economies in the world. According to the National Statistical Office (NSO), the Indian economy has clocked a growth rate of 7.2% in FY23. This expansion can be attributed to upbeat construction activity, which has been facilitated by higher infrastructure investment by both the Central Government and State governments.

By 2027, India is expected to become the world's third-largest economy.

(Source- https://pib.gov.in/PressReleasePage.aspx?PRID=1929325)

The Government has focused on enhancing infrastructure investments to initiate the post-pandemic economic recovery. Capital expenditure of the Government saw a spike of 63.4% in the first eight months of FY23, crowding in private investments as well. The proposed allocation for capex in the Union Budget for FY24 totalled 10 lakh crores, indicating an increase of 33.40% compared to the past year. This emphasis on driving infrastructure activity acts as a tailwind to drive sustained growth of the Indian economy.

Outlook

Strong domestic demand, rising employment indicators, reducing inflationary pressures and a high corporate sector debt profile all contribute to an optimistic outlook for the Indian economy[1]. Banks, financial institutions and business entities with healthy balance sheets are helping recover the growth momentum which had been impacted by COVID. The demographic dividend, the digital revolution, policy measures aimed at transforming India into a global manufacturing hub, a rebound in service sector competitiveness, and the favourable geo-economic positioning that is underway have all improved medium-term prospects. The trends suggest that India's economy is on an upward trajectory and the country is well-positioned to continue its growth despite global turbulence.

(Source – The Reserve Bank of India)

Industry overview

India's construction sector

During FY23, the construction sector in India has grown by 5% in real terms, compared to the previous estimate of 5.2% growth. The Department for Promotion of Industry and Internal Trade (DPIIT) reports that FDI, which includes equity inflows, reinvested earnings and other capital inflows into India, contracted by 14.5% to ₹ 2.9 trillion during the period from April to December in the current financial year 2022-2023 (FY23), compared to ₹ 3.4 trillion during the same period in FY22.

However, the growth of the construction industry in FY2023 will be supported by government investments aimed at completing major infrastructure projects. The Ministry of Statistics and Programme Implementation (MoSPI) states that the value added by the construction industry grew by 8.4% year-on-year in Q4 2022, following a growth of 5.8% in Q3 and 16.2% in Q2 2022. In 2022, the total gross fixed capital formation (GFCF) increased by 14.8%.

It is projected that the Indian construction sector will experience an average annual growth rate of 6.3% during the period from FY2024-27. This growth will be fuelled by investments in transportation, electricity and housing projects. The development of India's infrastructure, as outlined in the INR104.2 trillion Pradhan Mantri Gati Shakti Master Plan, announced in October FY2021, will contribute to this growth and the country's economic expansion over the next 25 years[2].

Outlook

Urban development

The construction industry is poised for growth with the urban population expected to contribute 75% of the GDP and an increasing number of cities with populations exceeding 1 million. This growth will be driven by the rising demand for urban construction and infrastructure development. To address these needs, the Government of India has allocated a budget of ₹ 764.32 billion specifically aimed at enhancing various

[1] https://dea.gov.in/sites/default/files/Monthly%20Economic%20Review_Feb%202023.pdf

[2] https://www.globenewswire.com/news-release/2023/05/03/2660261/0/en/India-Construction-Industry-Report-2023-Growth-in-2023-will-be-Supported-by-Government-Investment-to-Complete-Major-Infrastructure-Projects-Ahead-of-the-2024-Elections.html

urban sectors, including housing, transportation, sanitation and infrastructure, for the fiscal year 2023-24. From this amount, the largest share is dedicated to PMAY Urban (33%) and metro (30 %) projects that involves initiatives such as metro rail, transportation planning, capacity building in urban transport and the National Capital Region Transport Corporation. These two activities account for over 60% of the total allocation. The remaining funds are allocated to AMRUT (10.5 %), Smart Cities (10.5 %) and other expenditure items.

Affordable housing

By FY2030, the projected surge in urban population exceeding 40% will generate a significant need for affordable housing. This situation offers construction companies an opportunity to prioritise the construction of mid-end and affordable housing units, facilitated by initiatives such as Pradhan Mantri Awas Yojana(PMAY). However, the demand for affordable housing in India is being driven by the expansion of the country's middle class. According to estimates by the National Council of Applied Economic Research, the middle-class population in India is projected to increase to over 200 million by FY2025.

The increasing demand for affordable housing in India is also being propelled by the country's expanding workforce. It is anticipated that by FY2050, India will have one of the world's largest labour markets, with a working-age population exceeding 1 billion individuals. As this population grows, the requirement for housing will escalate, particularly in metropolitan areas where the majority of employment opportunities are concentrated[3].

Infrastructure investment

The disbursement of USD 1.4 trillion through the National Infrastructure Pipeline across multiple sectors is expected to result in a substantial increase in construction projects encompassing renewable energy, roads and highways, urban infrastructure, and railways.

Smart cities

The Smart City Mission, which seeks to modernise 100 cities, is set to enhance construction endeavours focused on technology-driven urban planning. This is anticipated to stimulate innovation and encourage the integration of new technologies within the construction industry.

Green and sustainable construction

The emphasis on green development and the shift towards renewable energy sources indicate a future in which the construction industry will have to adopt eco-friendly practices and technologies[4].

Related sub sectors in construction industry

i. Real estate

ii. Construction materials

i. Real estate

The real estate industry in India has been instrumental in propelling the nation's economic advancement by generating considerable job opportunities. Despite obstacles, the sector has demonstrated impressive adaptability in recent times, with proactive government assistance. Consequently, India is on track to become the third-largest construction market, presenting significant possibilities. The previous year saw a surge in demand, signalling favourable prospects within the sector. Anticipated outcomes include abundant business launches, employment potential and a conducive environment for startup expansion.

ii. Construction materials

The construction materials sector has had a remarkable resurgence and has returned to pre-COVID levels. The sector grew at a rate of 10% in FY2022 and is primed for considerable expansion. However, one of the most essential aspects of the construction material industry is that it has achieved a size of 3,644.5 million tonnes. Moving forward, the market is projected to expand to 4,832.6 million tonnes by 2028, with a compound annual growth rate (CAGR) of 4.94% between 2023 and 2028.[5] The growth of the construction material sector is of great importance to the overall economy, as it contributes approximately 9% to the country's GDP and employs over 51 million individuals[6].

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[3]https://www.globenewswire.com/en/news-release/2023/05/15/2668526/28124/en/India-Affordable-Housing-Market-Report-2023-Adoption-of-Green-and-Sustainable-Building-Practices-Presents-Opportunities.html

[4]https://www.constructionplacements.com/indian-construction-industry/#:~:text=The%20construction%20industry%20in%20India%20is%20expected%20to%20expand%20by,growth%20in%20the%20construction%20industry%3F

[5]https://www.imarcgroup.com/india-cement-market

[6]https://www.constructionweekonline.in/business/the-momentum-in-the-infra-and-real-estate-industry-will-help-building-material-industry-register-a-10-growth-in-2023-states-aparna-enterprises

The Indian cement industry has played a significant role in generating employment, boosting fiscal revenue and promoting community development, all the while making strides in manufacturing and technology. Despite the current per capita cement consumption in India being around 26 kg, compared to the global average of 540 kg per capita, there is considerable potential for industry growth. In fact, it is projected that India's cement demand will reach 550-600 million tonnes annually by 2025[7].

9%

Construction material industry's contribution to India's GDP

Emerging technological trends impacting the construction industry

Technological breakthroughs are redefining the construction industry, transforming not just the job site but also the management of construction projects. The widespread deployment of drones, which enable precise surveying even from remote locations, is an instance of this. Drones and mobile devices provide additional benefits to construction sites, such as improved material tracking and inventory management. Companies could reduce expenses by minimising material waste by adopting these tools.

Building Information Modelling (BIM) is an integral part of this technological wave. BIM allows companies to create digital representations of buildings, enabling them to track physical characteristics and functionalities. The data within BIM can facilitate informed decision-making regarding materials and fittings throughout the construction process. Moreover, BIM's usage extends beyond the initial construction phase, as it can also inform maintenance schedules and contribute to overall project budget management[8].

Opportunities in India's construction sector

Foreign investments

Indian government permits 100% foreign direct investment (FDI) in the construction industry, focusing on townships, malls, business constructions, and urban infrastructure projects under the automatic route. FDI is also extended for urban infrastructure projects, including urban transport, water supply, sewerage and sewage treatment [9].

The domestic real estate market presents a significant opportunity for foreign investors, especially in the area of affordable housing. India currently faces a shortage of more than 18 million housing units, prompting the Government to launch various initiatives to address this concern. One notable initiative is the Pradhan Mantri Awas Yojana (PMAY), which provides incentives for developers to construct affordable housing units.

India's rapidly growing economy is also driving the demand for office and retail spaces. The country's improving infrastructure and business environment position it as an attractive location for foreign companies as investing in commercial real estate projects offers stable returns over the long-term[10].

Government schemes

The government has implemented various schemes aimed at enhancing the quality of life in India through advanced and technology-driven urban planning. Notably, the Smart City Mission, which targets developing 100 cities, is expected to revolutionise urban development. Moreover, a Technology Sub-Mission of PMAY-U has identified 54 innovative global construction technologies, ushering in a new era in the Indian construction technology sector.

In addition, the Government has made significant progress in improving sanitation. Over 3,500 cities have been certified as ODF+ (Open Defecation Free Plus), and 1,191 cities have achieved the ODF++ status under the SBM-U (Swachh Bharat Mission-Urban).

To further enhance logistics and freight movement, the Government plans to develop 35 Multimodal Logistics Parks (MMLPs) at a total capital cost of USD 6.1 billion. These MMLPs will cater to 50% of the freight movement, thereby streamlining transportation and facilitating efficient logistics operations.

Rising urban population

Growing urban population has led to increased demand for housing and infrastructure in cities. This has resulted in rapid urbanisation and the need for sustainable urban planning to ensure efficient use of resources and an improved quality of life for residents. It is projected that the urban population in India will contribute 75% of the GDP (compared to the current 63%) and there will be 68 cities with a population exceeding 1 million. The construction industry in India operates within 250 sub-sectors, with interconnections across various sectors. By 2030, over 40% of the population is expected to reside in urban areas (compared to the current 33%), leading to a demand for an additional 25 million mid-end and affordable housing units[11].

[7] https://www.investindia.gov.in/sector/construction/construction-materials

[8] https://www.rhumbix.com/blog/how-technology-in-construction-is-revolutionizing-the-industry

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

[10] https://timesofindia.indiatimes.com/blogs/voices/unlocking-opportunities-for-foreign-investors-in-indias-booming-real-estate-market/

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

India's real estate market

Despite challenges, India's real estate sector has continued to grow steadily over the years. The sector has witnessed significant investments from both domestic and international players, leading to the development of various residential and commercial projects across the country. Within the next 2-3 years, India is poised to become the third-largest construction market, reflecting significant potential. Last year witnessed a surge in demand, indicating favourable prospects in the sector. The real estate industry is expected to create ample business opportunities, employment prospects, and serve as a platform for aspiring startups. The Budget 2023 emphasised on infrastructure development, with the Central government committing approximately ₹ 10 lakh crore in direct investments. Moreover, the allocation for the Pradhan Mantri Awas Yojana (PMAY) witnessed a 66% increase, while the Urban Infrastructure Development Fund prioritised Tier II and Tier III cities, aiming to enhance and expand infrastructure on a larger scale1[2].

Outlook

During the forecast period of 2023 and 2028, the real estate sector in India is projected to grow at a Compound Annual Growth Rate (CAGR) of 9.2%. As a result, in the upcoming financial year 2023-2024 there will be an increase in the number of buyers and a decrease in home loan interest rates. Numerous rating agencies have estimated that the Indian economy will grow by 8-9%, which will subsequently stimulate the expansion of the real estate market. This growth can be attributed to a rise in business activities, improved employment opportunities, and higher income levels, all of which will inevitably lead to an upsurge in the demand for real estate.

In addition to significant policy measures such as 'Housing for All' and the Pradhan Mantri Awas Yojana, the Government is involved in the development and construction of major infrastructure projects, including highways, new airports, metros and more. These initiatives will not only drive the overall expansion of real estate assets but also enhance their quality. Interestingly, there will be rapid growth in real estate markets in Tier II and Tier III cities, presenting lucrative investment opportunities with substantial returns for investors[13].

Government initiatives

Budgetary boost to PMAY

In the Union Budget 2023-24, a significant allocation of ₹ 79,000 crore was made for the Pradhan Mantri Awas Yojana (PMAY). This allocation serves as an additional impetus to the government's focus on providing affordable housing to the underserved. This step will also help achieve the Government's objective of ensuring 'Housing for All' well before the revised deadline. Moreover, the provision of subsidies will empower the prospects of affordable housing, granting the real estate industry an advantage over other asset classes.

Higher infrastructure development investments

The construction of 50 new airports, aerodromes, and helipads is expected to spur real estate development in the surrounding areas, eventually raising property prices. The subsequent multiplier effect of these initiatives will l to burgeoning real estate hotspots, offering homebuyers and early settlers the opportunity to earn attractive rentals and profits. As a result, prospective homebuyers interested in real estate investment will seek alternatives beyond the typical prime locations.

Revised tax structure

The Finance Minister proposed a change to the new regime's tax structure, intending to simplify it by reducing the number of slabs to five. Additionally, the tax exemption level will be raised to ₹ 3 lakh, and the surcharge rate on the highest tax rate would be reduced from 37% to 25%, from 42.74% currently. There is a recommendation to increase the tax rebate maximum under the new tax regime from ₹ 5 lakh to ₹ 7 lakh. This creates a substantial potential for purchasers to leverage their tax savings through real estate investment. The increased liquidity available for discretionary spending, coupled with a substantial reduction in the highest surcharge, will serve as the primary catalyst in boosting real estate as an asset class[14].

Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

States have been granted authority under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) to choose, assess, propose and implement projects within the overall framework of the mission. Presently, states and UTs have initiated 5,882 projects worth ₹ 82,565 crore under AMRUT. Out of these, 4,802 projects worth ₹ 35,932 crore have been completed, while contracts have been awarded and work is in progress for 1,080 projects valuing ₹ 46,632 crore. Moreover, approximately ₹ 69,219 crore worth of projects have been physically completed, with an expenditure of ₹ 61,980 crore incurred.

Through the implementation of AMRUT and convergence efforts, 137 lakh water tap connections and 105 lakh sewer connections (including households covered through Faecal Sludge and Septage Management - FSSM) have been set up.

[12]https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1916966

[13]https://www.imarcgroup.com/india-real-estate-market

[14]https://www.livemint.com/money/personal-finance/how-new-tax-regime-may-impact-homebuyers-in-fy24-11677416906439.html

AMRUT projects are also contributing to the development of a total sewage treatment capacity of 6,347 million litres per day (MLD), with 2,840 MLD of sewage treatment capacity already created and an additional 1,437 MLD capacity developed for recycling and reuse.

AMRUT has also facilitated the establishment of 2,322 park projects, adding 4,512 acres of green space. Ongoing Park projects are set to add an additional 908 acres of green space. Additionally, 692 Storm Water Drainage projects have been completed, resulting in the elimination of 2,960 water logging points, while work is underway to address another 801 water logging points. In promoting eco-friendly transportation and infrastructure, 273 green mobility projects have been successfully completed. Out of the ₹ 35,990 crore allocated for projects, ₹ 31,784 crore has been released so far[15].

India's commercial real estate market

The Indian economy has witnessed significant demand for various types of commercial real estate, including office spaces, retail outlets and co-working spaces, among others in recent years. Despite market volatility, India's real estate is emerging as a preferred investment avenue. This trend can be attributed to the increasing per capita income and the development of social infrastructure in Tier-II and Tier-III cities. Additionally, the shift to hybrid work models has led to a substantial demand for office spaces in major cities throughout the country in CY2022.

The commercial real estate sector in India is projected to reach a market size of USD 90 billion by FY2030, growing at a compounded annual growth rate (CAGR) of 8%. This remarkable growth is driven partially by favourable government policies such as Make in India, Smart Cities Mission and Digital India. While urbanisation has already generated significant demand across all segments, the expansion of both domestic and international businesses is fuelling the growth in the commercial real estate sector.

Additionally, the expansion of the IT and services sectors has increased the need for logistics spaces and modern warehouses. The growth in office expansions and the popularity of co-working spaces are also contributing to the rapid expansion of this sector. The commercial real estate segment has exhibited robust growth, defying the odds, and is well-positioned to lead the overall growth in the future. It is anticipated to offer high returns and impressive growth prospects over the next decade[16].

Trends of the commercial real estate sector in India

Increase in rental rate

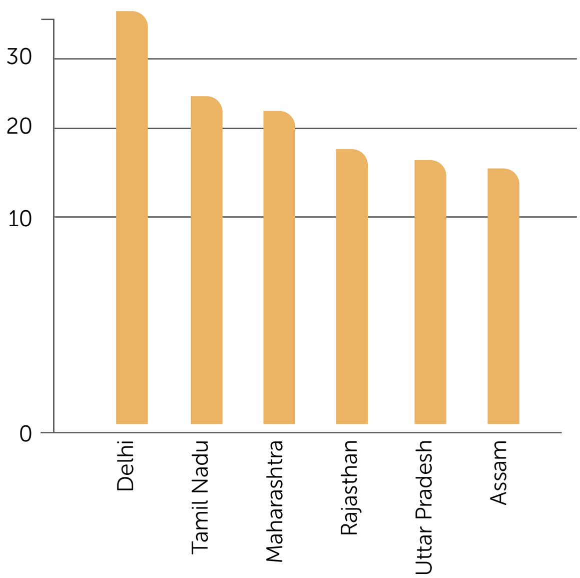
The thriving economy and worker return to office spaces have increased demand for commercial real estate. Co-working spaces offer flexible lease terms and profitable long-term leases. This has led to new office space projects, like Tata Realty's Gurugram construction project, offering 550,000 square feet of grade A+ office space for corporate leasing by December FY2026.

Greater demand for office spaces from corporate companies

CBRE South Asia's research shows a 97% year-over-year increase in lease activity in the Indian office market, reaching 11.4 million square feet. The technology sector accounted for 34% of lease expansion in Bangalore, Chennai and Delhi-NCR. The Banking, Financial Services, and Insurance (BFSI) companies contributed 17%, while flexible space operators, E&M companies, and consulting and analytics firms contributed 13%, 12%, and 11%, respectively. Large corporations often lease office spaces, as seen with Amazon and Samsung leasing 700,000 and 357,000 square feet respectively. Managed office spaces are increasingly adopted by businesses due to their flexible pricing structure and easy scalability options, enabling seamless expansion efforts without significant effort or complications.[17]

Opportunities of India's commercial real estate sector

Top performing states

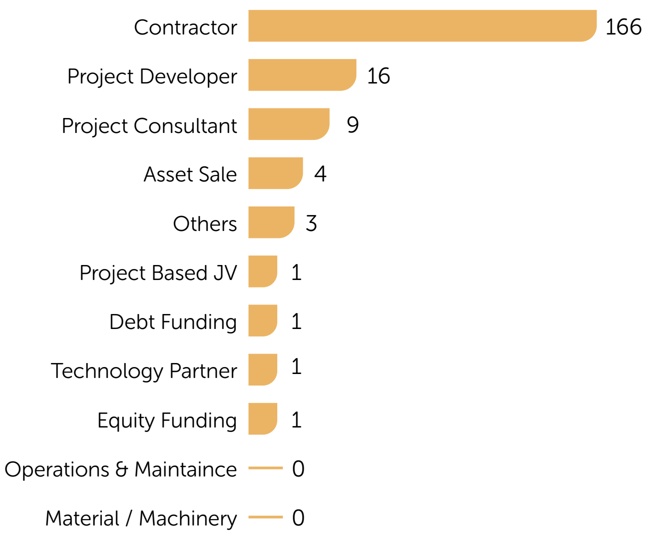


[15]https://www.pib.gov.in/PressReleasePage.aspx?PRID=1908856

[16]https://www.aninews.in/news/business/business/indian-commercial-real-estate-to-witness-steep-growth-in-the-coming-decade20230331152840/

[17]https://economictimes.indiatimes.com/news/how-to/what-are-the-factors-pushing-the-commercial-real-estate-sector/articleshow/99639397.cms?from=mdr

Commercial Real Estate Requirement[18]



Indian residential real estate market

The residential real estate market in India experienced a constant growth in both demand and prices during the first quarter of FY2023, continuing the trend seen over the previous five quarters. Cities like Bengaluru, Mumbai, Chennai, and Hyderabad experienced a notable significant spike in prices, with appreciation ranging from 5% to 7%. Additionally, the sales of residential units reached 79,126, indicating a modest 1% growth compared to the previous year. However, the surge in interest rates has affected the sales of affordable and low-income group housing segments[19].

In FY23, the residential real estate market in India achieved new records in terms of sales volume and value. The top seven cities, including Delhi-NCR, Mumbai, Kolkata, Chennai, Pune, Bengaluru and Hyderabad, witnessed a total of 379,000 units sold, reflecting a 36% increase compared to the past year. The total value of these sales amounted to ₹ 3.47 trillion, marking a substantial 48% rise from FY22.

Among these cities, the Mumbai Metropolitan Region (MMR) emerged as the leader in terms of both sales volume and value, making up 30% of all units sold and 48% of total sales value for the fiscal year. Pune finished second with a 17% proportion of the number of units sold, while Delhi-NCR was placed third with a 15% share of the value of properties sold.[20]

The Hyderabad market experienced the highest sales growth of 19% year-on-year (YoY), whereas sales in the larger markets of Mumbai and Bengaluru slightly dropped by -6% and -2% YoY, respectively. This trend aligns with the consistent upward movement observed over the past three quarters. Additionally, there was a considerable increase in the share of sales in the ₹ 10 million and above ticket-size category, reaching 29% in Q1 2023 compared to 25% a year ago. This can be attributed to the homebuyers' desire to upgrade to larger living spaces with enhanced amenities.

The proportion of home sales in the ₹ 5-10 million range also increased similarly, reaching 38% in Q1 2023 compared to 35% in FY22. However, the percentage of homes with a ticket size of ₹ 5 million and below declined from 41% in Q1 2022 to 32% in Q1 2023 due to rising prices and a more adverse impact of the pandemic on homebuyers in this segment, which affected demand. Interestingly, the mid-size segment now represents a larger portion of the total sales compared to the category of homes priced below ₹ 5 million[21].

Outlook

Expected recovery in demand

In FY22, affordability played a crucial role in driving housing sales. However, due to inflation, developers were forced to raise prices. A series of repo rate hikes totalling 250 basis points (bps) since May 2022 have affected the demand dynamics in the affordable housing segment in FY23. This has also led buyers in the mid and premium segments to postpone their purchases. Nevertheless, the government's increased focus on infrastructure development and budgetary support, such as tax concessions, will result in higher disposable income for middle-class homebuyers. This, in turn, will drive home sales in the medium term.

Anticipated growth in Tier II and III cities

The government's renewed emphasis on infrastructure development and enhanced connectivity in emerging cities is expected to drive significant growth and stimulate the development of Tier II and Tier III cities. Notably, in cities

[18]https://indiainvestmentgrid.gov.in/sectors/real-estate/commercial-real-estate

[19]https://economictimes.indiatimes.com/industry/services/property-/-cstruction/key-indian-property-markets-see-5-7-rise-in-housing-prices-in-march-quarter/articleshow/99207061.cms?from=mdr

[20]https://www.outlookindia.com/business/indian-residential-real-estate-market-hits-record-sales-in-fy23-says-report-news-286448

[21]https://content.knightfrank.com/research/2640/documents/en/india-real-estate-office-and-residential-market-jan-mar-2023-10057.pdf

like Tiruchirappalli, Puducherry and Mangalore, there was a substantial increase of over 80% in absorption during the period of FY22 to 9M FY23. Additionally, the peripheral markets of Mumbai, Bengaluru and Hyderabad experienced a much higher absorption rate of 53% compared to 16% in the main markets.

Housing prices may surge

Property prices increased by 8-10% year on year in FY23, with an additional 5% year on year growth expected in FY24. Construction expenses increased by 8% to 10% in FY23, owing mostly to increasing input costs, resulting in a 5-6% year-on-year increase in blended costs for developers. However, developers may hesitate from raising prices in the next six to seven months as they navigate macroeconomic uncertainty and observe demand dynamics evolve.[22]

Super high-rise segment in India

The Mumbai Metropolitan Region (MMR) stands out as a leader in the high-rise segment, with over 200 skyscrapers and approximately 5,600 high-rise buildings. The Delhi-NCR region is close behind and has witnessed the development of 18 skyscrapers and around 5,200 high-rise buildings in recent years. Kolkata, in contrast, has 14 skyscrapers and 800 completed high-rises. Due to upbeat real estate markets, other cities such as Bangalore, Mangalore, Hyderabad, Chennai, Kochi, Pune, Ahmedabad and Surat have also experienced significant activity in the high-rise segment. While these skyscrapers contribute to the city's skyline, it is worth noting that their presence in India remains relatively limited compared to other countries.

India has been experiencing various innovative approaches to construction, with technology being employed creatively in the real estate sector. There has been considerable infrastructure development occurring throughout the country, including numerous projects slated for redevelopment. This has piqued the interest of international brands investing in infrastructure, real estate and technology. With ambitious growth and investment plans, India is positioning itself as a major manufacturing hub, not just for domestic companies but also for international ones.[23]

Company overview

Capacit'e Infraprojects Ltd. is a small-cap business operating in the construction industry. As of FY23, the Company had achieved a revenue of ₹ 1,790.8 crore. Contract Revenue and Scrap represent two key revenue segments for Capacit'e Infraprojects Ltd. for the fiscal year ending on March 31, 2023. The Company specialises in providing project design, construction, and management services to major real estate and government entities in India. Our team of professionals and skilled employees drives the construction of high-rise and super-high-rise projects in the country. By leveraging our creative skills and domain expertise, we have become leaders in our markets. Capacit'e Infraprojects does not view itself as merely a construction company, it considers itself an 'Engineering Specialist'. By focusing on EPC delivery and cutting-edge technology, the Company has become a trusted brand in various sectors, including high-rise, super-high-rise, commercial, IT/ITES, healthcare, gated communities, MLCPs and premium private residences.

Strengths

Strong cash flow

The Company's sharp focus on cash flow management is evident in its initiatives to reduce receivables, control debt and invest in technologies that accelerate construction processes and enable the pursuit of higher-margin projects. Moreover, a significant portion of the Company's order book comprises reputable clients with strong financial positions and steady cash flows.

Quality

The Quality Assurance/Quality Control (QA/QC) cell provides support to project sites by facilitating the development of optimal concrete mix designs, specifically for high strength, free-flowing concrete and concrete suitable for vertical pumping. Additionally, the QA/QC cell is responsible for overseeing the inspection and testing plan for all materials and products.

Innovation

Automation and software systems are employed to track client complaints, enabling prompt technical responses. The IT department provides project sites with training, documentation, technical support, and assistance to address any issues.

Plant and machinery

The Company has established a robust plant and machinery cell responsible for various tasks, including identifying requirements, planning resources, selecting new equipment for procurement, mobilising, installing and commissioning equipment at project

[22]https://www.moneycontrol.com/news/business/real-estate/india-ratings-revises-outlook-for-residential-realty-to-neutral-sees-prices-rising-5-in-fy24-10324991.html

[23]https://www.constructionweekonline.in/people/indias-skyscraper-saga

sites. This cell also handles equipment inspection, testing and calibration, as well as routine preventive maintenance. Following a comprehensive evaluation of functional requirements, movement constraints and performance criteria, tower cranes, passenger and material hoists, concrete pumps and placers are strategically deployed at project sites.

ERP Buildsmart - RIBCCS

A department of information technology and enterprise resource planning was established, with the IT cell in charge of hardware, software, and IT infrastructure. The IT department is responsible for implementing the Company's integrated cost management system, which comprises Buildsmart ERP and Candy from RIB CCS. Buildsmart ERP has been seamlessly linked across all of the Company's offices and project locations, allowing for comprehensive procurement of products and services as well as streamlining accounting operations.

Safety

The Company prioritises occupational health, safety, environmental sustainability and cleanliness at its project sites. It has received certifications for its Environmental Management System and Occupational Health and Safety Management Systems. The HSE (Health, Safety, and Environment) cell of the Company is responsible for the development and monitoring of project specific HSE plans, as well as the identification of hazards, assessment of risks and formulation of emergency response plans.

Professional

The QA/QC cell plays a crucial role in supporting project sites by facilitating the development of optimal concrete mix designs, specifically for high strength, free-flowing concrete and concrete suitable for vertical pumping. Additionally, it closely tracks the inspection and testing plan for all materials and products. The cell effectively addresses customer concerns by providing technical responses. It provides comprehensive support to project sites through training, documentation, technical assistance and guidance.

Formwork

The formwork cell assumes various responsibilities related to the design, detailing, planning, customization, procurement, deployment, training, implementation and maintenance of projects. It ensures the optimum utilisation of formwork, meeting cycle time and productivity targets. Moreover, the cell handles the stacking, handling, cleaning, maintenance and upkeep of formwork supplies.

Financial overview

Key ratios

According to the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations 2018, the Company is obligated to disclose significant changes in key financial ratios. These changes are defined as a variation of 25% or more compared to the immediately preceding financial year. The following key financial ratios and their corresponding explanations are provided below:

Ratios	FY 2022-23	FY 2021-22 (Restated)
Debtors Turnover (no. of days)	94	109
Inventory Turnover (no. of days)	137	156
Interest Coverage Ratio (in times)	5.97	6.2
Current Ratio (in times)	1.45	1.43
Debt Equity Ratio (in times)	0.34	0.34
EBITA (in %)	20.02	17.12
Net Profit Margin (in %)	5.27	3.63
Return on Net Worth (in %)	8.79	5.01

[Please note that the Return on Net worth is a required field, and other ratios will only be provided if there is a change of 25% or more]

Operational overview

The Company specialises in constructing high-rise and super high-rise residential, commercial and institutional buildings, including super speciality hospitals. With a sector-specific focus on construction, the Company has secured a diverse order book from renowned clients in both the private and public sectors. Despite being relatively new, the Company has established a robust presence in the factory and building sector, due to its lean balance sheet, flexible management and ability to adapt to change.

Risk management

Risk management is an integral aspect of the Company's operations, and the management takes a proactive approach to systematically addressing risks. Considering the nature of its business, the Company is exposed to various risks arising from economic, political, legal, environmental, personnel, operational and currency fluctuations, among others. The Risk Management Committee oversees and monitors the Company's risk management strategy. The Executive Management Team regularly reviews key risks and evaluates the effectiveness of mitigating measures implemented by the Company. The Risk Management Committee assesses initiatives aimed at further strengthening the Company's risk management framework, taking into consideration its growth strategy and the dynamic business environment in which it operates.

Internal control

The organisation has implemented suitable internal control systems and procedures to manage its business processes effectively. Clear roles and responsibilities are defined for all managerial positions within the organisation. The internal control system of the Company is appropriate considering its size, scope and complexity. The Audit Committee regularly evaluates the adequacy and effectiveness of the internal control systems, providing recommendations for any necessary changes. The committee ensures the protection of assets, adherence to established requirements and timely resolution of pending concerns.

The audit is carried out following an annual internal audit plan, which is reviewed and approved by the audit committee. The Company identifies inherent reporting risks for each significant aspect of the financial statements and implements procedures to mitigate them. Regular reviews are conducted to address any changes in the business landscape, regulations, and internal policies, ensuring the ongoing effectiveness of the risk mitigation controls. As of March 31, 2023, the audit committee has evaluated the internal financial controls and found them to be adequate and functioning effectively, in accordance with the evaluation requirements outlined in Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Regulations, 2015.

Human resources

The Company has a workforce of 1667 employees as of March 31, 2023. It's work culture is shaped predominantly by the employees themselves. Their behaviour, attitudes and interests play a crucial role in defining the culture within the organisation. Great organisations are built on the shoulders of happy employees. Recognising this, the Company considers its personnel as its most valuable long-term asset. The Company offers competitive compensation, attractive benefits and a pleasant working environment to its workforce.

By investing in employee training, implementing effective employee relations programmes and involving employees in decision-making processes, the Company aims to achieve operational excellence and enhance profitability.

Managing employees is not solely the responsibility of human resources and direct supervisors. It requires the establishment of work practices, supportive leadership, and employee management strategies that foster positive relationships throughout the organisation. Attracting, developing and retaining top talent necessitate creating an organisational culture that encourages people to realise their full potential. Just as the Company sets strategic business goals, it also identifies strategic human capital goals that align with those objectives.

CSR

The Company is committed to giving back to society and believes that long-term growth and progress are inextricably linked to the development and well-being of society as a whole. The Company acknowledges its shared responsibility to contribute positively to the betterment of society. It understands that even small steps can lead to significant changes in the long run, and thus endeavours to make meaningful contributions for the benefit of society at large.

At present, the primary focus areas for CSR activities include:

(i) Promoting healthcare initiatives

(ii) Engaging in disaster management, which involves activities such as relief efforts, rehabilitation and reconstruction.

Disclaimer

The MDA section includes certain statements about future prospects that may be considered forward-looking statements. These statements involve various identified or unidentified risks and uncertainties that could potentially lead to different actual results. Furthermore, in addition to the changes in the macro-environment, global events like the COVID-19 pandemic may introduce unforeseen, unprecedented, uncertain, and continually evolving risks to the Company and its operating environment. The figures and facts presented in the report are based on assumptions made using available internal and external information. As the factors underlying these assumptions can change over time, the estimates on which they are based are also subject to change accordingly. It is important to note that these forward-looking statements reflect the Company's current intentions, beliefs, or expectations, and they are valid only as of the date they were made. The Company has no obligation to revise or update any forward-looking statements, whether due to new information, future events, or other factors.

FINANCIAL STATEMENTS

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 2023, 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, 2023, 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:

1) Note 50 of the accompanying standalone Ind AS financial statements which is in relation to the change in accounting policy of measuring the progress towards satisfaction of performance obligation for revenue recognition from output method to input method. Consequent to aforementioned change in accounting policy, the Company has re-stated the comparative financial figures as at April 01, 2021 and for the year ended March 31, 2022 included in the standalone Ind AS financial statements, in accordance with the requirements of Ind AS 8 – 'Accounting Policies, Changes in Accounting Estimates and Errors'.

2) Note 12(d) of the accompanying standalone Ind AS financial statements in respect of the Company's trade receivables, other exposures and contract asset with long time outstanding amount of INR 6,809 Lakhs as on the balance sheet date. The Company has taken legal course against those parties, including enforcement of available security, to recover those assets. The outcome of such legal action is not ascertainable at present. The management is confident of its recoverability and hence no provision has been made against the same in the books of accounts.

   Our conclusion is not modified in respect of the above matters.

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, 2023. These matters were addressed in the context of our audit of the standalone 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 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 of contract revenue and margin (as described in Note 36 of the standalone Ind AS financial statements)	
The Company enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods.	Our procedures included the following:
The accounting standard requires an entity to select a single measurement method for the relevant performance obligation which depicts the entity's performance in transferring goods or services. In case of onerous contract, present obligations are recognised and measured as provisions.	• Evaluated the appropriateness of the Company's change in revenue recognition policy, including the change in method of measuring progress;
During the current year, the Company has reassessed its method of measuring progress i.e. from output method to input method as specified in Ind AS 115- 'Revenue from Contract with Customers' consequent to change in the circumstances including change in the nature of contracts secured by the Company during recent years. Accordingly, the Company recognises revenue and the resultant 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. Pursuant to the impact of this change in method, the Company has restated the financial figures for the year ended March 31, 2022 and restated figures as at April 01, 2021 have also been provided.	• Evaluated the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry, observations, reperformance and inspection of evidence;
We identified contract accounting as a key audit matter because the estimation of total revenue and total cost to complete the contract is inherently subjective, complex and require significant judgment. The same may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations, etc., and could result in significant variance in the revenue and profit or loss from contract for the reporting period.	• Verified the management's computation of impact of change in measure of progress and its consequential impact on the financial statements including restatement of earlier periods; • Assessed compliance of the Company's policies in respect of revenue recognition with the applicable accounting standards; • Selected a sample of contracts to test, using a risk-based criteria's which included individual contracts with: - significant revenue recognised during the year; - significant accrued value of work done balances held at the year-end; or - low profit margins/no profit margins • Obtained an understanding of Company's process for analysing long term contracts, the risk associated with the contract and any key judgments; • Verified underlying documents such as original contract, and its amendments, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and/or any change in such estimation; • Evaluated the outcome of previous estimates by comparing the actual cost for the year to the forecasted costs for that year; • Considered the adequacy of disclosures made in note 36 to the Company's standalone Ind AS financial statements in respect of these judgments and estimates.

Recoverability of trade receivables and contract assets (as described in Note 36 of the standalone Ind AS financial statements)	
Trade receivables and contract assets amounting to INR 44,534.12 lakhs and INR 92,383.91 lakhs respectively, represents approximately 52.48% of the total assets of the Company as at March 31, 2023. During the year, the Company has written off INR 6,624.03 lakhs out of Trade receivables and INR 3,013.59 lakhs as allowance for expected credit loss. 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. 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 as at the 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, reading of communications to/ from customers, physical site visits, verification of last bills certified and subsequent client certifications; • Assessed the allowance for expected credit loss made by management.

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 Annual report , but does not include the Ind AS standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Ind AS standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Ind AS standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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, 2023 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to 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, 2023 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 person or entity, 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 person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures 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 and hence no comment is required on compliance of Section 123 of the Companies Act, 2013.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, and hence reporting under this clause is not applicable.

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

per Jayesh Gandhi
Partner
Membership Number: 037924
UDIN: 23037924BGXUAC7635
Place of Signature: Mumbai
Date: May 26, 2023

Annexure 1 Referred To In Paragraph 1 Under The Heading "Report On Other Legal And Regulatory Requirements" Of Our Report Of Even Date 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:

(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 (Gross Block of INR 42,775.87 lakhs; Net Block of INR 15,046.43 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, 2023.

(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 INR five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and/or financial institutions are not in agreement with the books of accounts of the Company and the details are as follows:

₹ in Lakhs

Quarter ending	Value per books of account*	Value per quarterly return/statement*	Discrepancy
Inventory			
June 30, 2022	5,817.98	5,191.24	626.74
September 30, 2022	5,063.70	5,037.55	26.15
December 31, 2022	5,349.32	4,715.04	634.28
March 31, 2023	**7,685.93**	**3,794.51**	**3,891.42**

Quarter ending	Value per books of account*	Value per quarterly return/statement*	Discrepancy
Trade receivables + WIP (Unbilled revenue)			
June 30, 2022	81,972.51	69,596.52	12,375.99
September 30, 2022	1,08,879.28	87,378.76	21,500.51
December 31, 2022	79,471.73	89,799.90	(10,328.17)
March 31, 2023	**82,958.13**	**97,011.25**	**(14,053.12)**

Quarter ending	Value per books of account*	Value per quarterly return/statement*	Discrepancy
Trade payables			
June 30, 2022	31,902.69	24,559.21	7,343.48
September 30, 2022	29,964.46	28,398.51	1,565.95
December 31, 2022	24,382.66	25,752.58	(1,369.92)
March 31, 2023	**27,685.53**	**20,320.01**	**7,365.52**

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

(iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantor or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made investments, provided guarantees, provided security or granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) In respect of two inter corporate deposits (ICDs) outstanding during the year, schedule of repayment of principal and payment of interest has been stipulated. With respect to ICD given to a Limited Liability Partnership there was default in repayment of principal and payment of interest which both were subsequently recovered during the year. While with respect to ICD given to a company, the principal amount was not received on the maturity date and there was default in payment of interest.

(d) The principal amount of INR 1,000 Lakhs and interest amount of INR 388.49 Lakhs on inter corporate deposits given to a company is overdue for more than ninety days on the balance sheet date. The reasonable steps have been taken by the Company for recovery of the said overdue amount.

Number of Cases	Principal Amount*	Interest Overdue*	Total
1	INR 1,000 Lakhs	INR 388.49 Lakhs	INR 1,388.49 Lakhs

*The principal amount of ICD and interest outstanding in the books have been written off.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(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 serious 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 INR 3,494.32 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 INR 463.88 lakhs in respect of income-tax, provident fund, goods and services tax, tax collected at source, profession tax, value added tax and employees' state insurance was outstanding, at the year end, for a period of more than six months from the date they became payable. The details of such outstanding amount has been provided below:

₹ in lakhs

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Due Date
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	19.17	FY 2022-23	May 15, 2022
		25.93	FY 2022-23	June 15, 2022
		27.65	FY 2022-23	July 15, 2022
		27.80	FY 2022-23	August 15, 2022
		29.97	FY 2022-23	September 15, 2022
Profession tax Act, 1987	Professional tax	3.33	FY 2022-23	May 31, 2022
		3.23	FY 2022-23	June 30, 2022
		5.37	FY 2022-23	July 31, 2022
		4.66	FY 2022-23	August 31, 2022
		4.36	FY 2022-23	September 30, 2022
Income tax Act, 1961	Tax deducted at source/ Tax collected at source	83.17	FY 2022-23	August 07, 2022/ June 15, 2022
		149.45	FY 2022-23	September 07, 2022
Employees' State Insurance Act, 1948	Employees' State Insurance	0.84	FY 2022-23	May 15, 2022
		0.63	FY 2022-23	June 15, 2022
		0.61	FY 2022-23	July 15, 2022
		0.63	FY 2022-23	August 15, 2022
		0.57	FY 2022-23	September 15, 2022
Goods and Services Act, 2017	Goods and Service tax	47.26	FY 2022-23	June 20, 2022
		4.89	FY 2022-23	July 20, 2022
		12.03	FY 2022-23	August 20, 2022
Value Added tax Act, 2009	Value Added tax	12.33	FY 2016-17	June 30, 2017
Total		**463.88**		

(b) The dues of 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 (INR in lakhs)	Period to which the amount relates	Forum where the dispute is pending
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, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(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 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, except for transactions with promoters aggregating to INR 4,119.98 lakhs, for which approval of audit committee has been taken subsequently.

(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 neither incurred cash losses in the current year nor 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 48 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: 23037924BGXUAC7635
Place of Signature: Mumbai
Date: May 26, 2023

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE 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")

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, 2023 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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: 23037924BGXUAC7635
Place of Signature: Mumbai
Date: May 26, 2023

Balance Sheet AS AT MARCH 31, 2023

₹ in lakhs

Particulars	Notes	As at March 31, 2023	As at^ March 31, 2022
A - Assets			
1) Non-current assets			
Property, plant and equipment	4	64,280.86	67,922.27
Capital work-in-progress	4	608.01	1,366.08
Investment properties	5B	724.79	737.72
Intangible assets	5	54.16	77.80
Right-of-use assets	5A	340.21	632.41
Intangible assets under development	5	38.62	38.62
Financial assets			
Investment	6	469.68	467.94
Trade receivables (retention)	12	9,617.54	7,086.24
Other financial assets	8	2,088.74	2,312.28
Non current tax assets (net)	10	2,484.26	3,183.34
Other non-current assets	9	7,687.06	9,392.95
Total non-current assets		88,393.93	**93,217.65**
2) Current assets			
Inventories	11	9,773.23	11,153.96
Financial assets			
Investments	6	-	60.40
Trade receivables	12	34,916.58	39,362.95
Cash and cash equivalents	13	3,865.91	2,211.05
Bank balances other than cash and cash equivalents	14	12,749.74	16,176.82
Loans	7	-	1,300.00
Other financial assets	8	95,865.99	63,278.30
Other current assets	9	15,327.97	11,638.63
Total current assets		172,499.42	**145,182.11**
Total-Assets		260,893.35	**238,399.76**
B - Equity and Liabilities			
1) Equity			
Equity share capital	15A	6,789.15	6,789.15
Other equity	15B	100,566.93	89,835.60
Total equity		107,356.08	**96,624.75**
2) Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	11,162.49	13,736.60
Lease liabilities	16A	165.24	443.21
Other financial liabilities	18	4,413.92	3,589.41
Provisions	19	181.45	316.34
Deferred tax liabilities (net)	21	5,290.91	3,248.37
Other non-current liabilities	22	13,172.58	18,961.87
Total non-current liabilities		34,386.59	40,295.80
Current liabilities			
Financial liabilities			
Borrowings	16	25,420.80	19,073.01
Lease liabilities	16A	219.62	244.03
Trade payables	17		
- Total outstanding dues of micro enterprises and small enterprises		2,709.90	2,080.97
- Total outstanding dues of trade payables other than micro enterprises and small enterprises		59,456.39	51,049.07
Other financial liabilities	18	5,843.97	4,583.34
Provisions	19	463.98	244.90
Current tax liabilities (net)	20	2,054.03	1,258.49
Other current liabilities	22	22,981.99	22,945.40
Total current liabilities		119,150.68	**101,479.21**
Total liabilities		153,537.27	**141,775.01**
Total Equity and Liabilities		260,893.35	**238,399.76**
Summary of significant accounting policies	3		

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

^ Restated (refer Note 50)

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

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

Place: Mumbai
Date: May 26, 2023

Statement of Profit & Loss FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Particulars	Notes	March 31, 2023	March 31, 2022^
Income			
Revenue from operations	23	179,075.84	133,982.81
Other income	24	916.76	1,307.72
Total income		179,992.60	135,290.53
Expenses			
Cost of material consumed	25	66,830.14	55,488.86
Construction expenses	26	53,795.83	37,580.83
Employee benefit expense	27	12,763.84	10,889.09
Finance costs	28	8,940.54	6,696.41
Depreciation and amortisation expenses	29	13,599.63	9,881.31
Other expenses	30	10,568.49	8,170.28
Total expenses		166,498.47	128,706.78
Profit before tax		13,494.13	6,583.75
Current tax	31	3,215.62	1,581.05
Deferred tax	31	845.35	157.01
Total tax expense		4,060.97	1,738.06
Profit after tax		9,433.16	4,845.69
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on defined benefit plans		77.73	35.51
Income tax effect		(19.56)	(8.94)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		58.17	26.57
Total comprehensive income for the period/year		9,491.33	4,872.26
Earning per share (of ₹ 10/- each)	33		
- Basic (₹)		13.89	7.14
- Diluted (₹)		13.83	7.14
Summary of significant accounting policies	3		

The accompanying notes are an integral part of the financial statements.
^ Restated (refer Note 50)

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

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

Place: Mumbai
Date: May 26, 2023

Cash Flow Statement FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

	Particulars	March 31, 2023	March 31, 2022^
A	**Cash flow from operating activities**		
	Profit before tax	13,494.13	6,583.75
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expenses	13,599.63	9,881.31
	Finance costs	8,940.54	6,696.41
	Impairment allowance for trade receivables	4,844.12	3,171.83
	(Profit)/Loss on sale of property, plant and equipment	534.51	(225.80)
	Fair value gain on financial instruments at fair value through profit and loss	(1.60)	(0.19)
	Sundry balance written back	(3.37)	7.41
	Finance income	(717.62)	(1,026.24)
	Operating profit before working capital changes	**40,690.34**	**25,088.48**
	Movement in working capital :		
	(Increase)/Decrease in Trade Receivables (Including bills discounted with banks)	(1,850.72)	(15,638.33)
	(Increase)/Decrease in Loans	1,300.00	-
	(Increase)/Decrease in Inventories	1,380.73	(1,109.10)
	(Increase)/Decrease in other assets and other financial assets	(34,339.35)	(6,972.64)
	Increase/(Decrease) in Trade payables	7,961.29	10,570.31
	Increase/(Decrease) in Provisions	161.92	162.67
	Increase/(Decrease) in Other liabilities and other financial liabilities	(4,792.25)	(6,111.84)
	Cash generated from operations	**10,511.96**	**5,989.55**
	Direct taxes paid (net of refunds)	(1,721.00)	(2,548.67)
	Net cash flow from operating activities (A)	**8,790.96**	**3,440.88**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment including CWIP and capital advances	(8,732.17)	(10,213.66)
	Proceeds from sale of property, plant and equipment	375.57	225.80
	Proceeds/Disposal of investment in perpetual securities of subsidiary	(1.74)	15.16
	Proceeds from sale of current investments	62.00	32.63
	Maturity proceeds from bank deposits (having original maturity of more than three months), net	3,389.91	6,708.59
	Interest received	1,130.62	947.66
	Net cash used in investing activities (B)	**(3,775.81)**	**(2,283.81)**
C	**Cash flow from financing activities**		
	Repayment of long-term borrowings	(4,736.69)	(4,374.27)
	Proceeds from long-term borrowings	5,332.50	10,030.26
	Payment of principal portion of lease liability	(163.81)	(159.63)
	Proceeds/ (Repayments) from short-term borrowings, net	3,249.89	804.86
	Money received against share warrants	1,240.00	-
	Interest paid including interest on lease liability	(8,282.18)	(6,229.88)
	Net cash from/(used in) financing activities (C)	**(3,360.29)**	**71.34**

Cash Flow Statement FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Particulars	March 31, 2023	March 31, 2022^
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**1,654.86**	**1,228.41**
Cash and cash equivalents at the beginning of the year	2,211.05	982.64
Cash and cash equivalents at end of the period (note 13)	**3,865.91**	**2,211.05**
Components of cash and cash equivalents		
Cash in hand	27.15	14.15
Foreign currency on hand	3.32	3.08
Balances with banks:		
- on current accounts	1,895.95	1,255.08
- Term Deposits with less than 3 months of original maturity	1,939.49	938.74
Total cash & cash equivalents (note 13)	**3,865.91**	**2,211.05**
^ Restated (refer Note 50)		

As per our report of even date attached

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

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

Place: Mumbai
Date: May 26, 2023

Statement of Changes in Equity FOR THE YEAR ENDED MARCH 31, 2023

A) Equity Share Capital

For the year ended 31 March, 2023	Nos.	₹ in Lakhs
At April 01, 2022	67,891,497	6,789.15
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance	67,891,497	6,789.15
Issue of share capital	-	-
At March 31, 2023	**67,891,497**	**6,789.15**
For the year ended 31 March, 2022		
At April 01, 2021	67,891,497	6,789.15
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance	67,891,497	6,789.15
Issue of share capital	-	-
At March 31, 2022	**67,891,497**	**6,789.15**
As at April 01, 2021	Nos.	₹ in Lakhs
At April 01, 2020	67,891,497	6,789.15
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance	67,891,497	6,789.15
Issue of share capital	-	-
At April 01, 2021	**67,891,497**	**6,789.15**

B) Other equity

	Reserves and surplus		Items of other comprehensive income	Money received against share warrant	Total equity
	Securities premium	Retained earnings			
At April 1, 2022	**45,713.14**	**43,957.37**	**165.10**	**-**	**89,835.60**
Profit for the year	-	9,433.16	-	-	9,433.16
Other comprehensive income / (losses)	-	-	58.17	-	58.17
Share Warrant	-	-	-	1,240.00	1,240.00
Restatememt of revenue	-	-	-	-	-
At March 31, 2023	**45,713.14**	**53,390.52**	**223.27**	**1,240.00**	**100,566.92**
At April 1, 2021	**45,713.14**	**39,111.68**	**138.53**	**-**	**84,963.34**
Profit for the year	-	4,845.69	-	-	4,845.69
Other comprehensive income / (losses)	-		26.57	-	26.57
Share Warrant	-	-	-	-	-
Restatememt of revenue	-	-	-	-	-
At March 31, 2022	**45,713.14**	**43,957.37**	**165.10**	**-**	**89,835.60**
At April 1, 2020	**45,713.14**	**40,084.77**	**-**	**-**	**85,797.91**
Profit for the year	-	179.05	-	-	179.05
Restatement due change in method of measuring progress	-	(1,152.15)	-	-	(1,152.15)
Other comprehensive income for the year	-	-	138.53	-	138.53
At March 31, 2021	**45,713.14**	**39,111.68**	**138.53**	**-**	**84,963.34**

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 26, 2023

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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

1 Corporate information

The standalone financial statements comprise financial statements of Capacit'e Infraprojects Limited (""the Company"") for the year ended March 31, 2023. The Company is a Company domiciled in India and was 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 26, 2023.

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 ("INR") 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, 2023

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:

During the current year the company has changed the method of measuring progress i.e. from output to input method as specified in Ind-AS 115 Revenue from Contract with customers. (Refer note 50)

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

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met. Step2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer. Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

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

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

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

Revenue from works contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by calculating the proportion that costs incurred to date bear to the estimated total costs of a contract. Determination of revenues under the percentage of completion method necessarily involves making estimates by the management. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable. Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration. If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognises the entire estimated loss in the period the loss becomes known.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability. Any variations in contract work, claims, incentive payments are included in the transaction price if i.t is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved.

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 exceeds 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.

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.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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, if any 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 colony, store rooms, professional fees for designing site establishments, monsoon protection sheds, all electrical lines at project site etc. All material and manpower cost incurred 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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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 effect 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.

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 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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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.

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 FVTOCI:

Debt instruments are subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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 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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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. 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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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 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 INR, 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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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:

- 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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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.

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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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, 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,

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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 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; an

(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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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, 2023

4 Property plant and equipment

	Plant and Machinery	Furniture & Fixtures	Office Equipment	Site Establishment	Computers	Formwork	Vehicles	Building	Total
Cost or valuation	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
At April 01, 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 Mar 31, 2022	**13,319.12**	**1,152.00**	**108.62**	**42,037.41**	**621.62**	**49,371.82**	**486.85**	**838.79**	**107,936.23**
Additions	949.01	-	4.48	2,246.20	77.20	6,197.59	26.24	1,594.35	11,095.07
Disposals	(321.88)	-	-	(1,507.74)	-	-	-	(481.35)	(2,310.97)
At March 31, 2023	**13,946.25**	**1,152.00**	**113.10**	**42,775.87**	**698.82**	**55,569.41**	**513.09**	**1,951.79**	**116,720.33**
Depreciation									
At April 01, 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 period	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**
Depreciation charge for the period	700.07	92.17	9.64	7,845.55	88.99	4,513.60	49.85	23.59	13,323.46
Disposals	(130.69)	-	-	(763.45)	-	-	-	(3.81)	(897.95)
At March 31, 2023	**3,984.68**	**460.91**	**87.15**	**27,729.44**	**482.19**	**19,443.69**	**229.75**	**21.66**	**52,439.47**
Net Book Value									
At March 31, 2023	**9,961.57**	**691.09**	**25.95**	**15,046.43**	**216.63**	**36,125.72**	**283.34**	**1,930.13**	**64,280.86**
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 April 01, 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	Mar 31, 2023	Mar 31, 2022	Mar 31, 2021
	INR Lakhs	INR Lakhs	INR Lakhs
Property, plant and equipment	64,280.86	67,922.27	65,085.70
Capital Work-in-Progress	673.01	1,366.08	587.83
Impairment of CWIP	(65.00)	-	-
	608.01	**1366.08**	**587.83**

Note 1:

Charge on the Assets:

Please refer note 16 for the details of charge created on assets.

Note 2:

Capital work in progress (CWIP) ageing schedule

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

At March 31, 2023

₹ in Lakhs

	Amount in CWIP for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
Project in progress	476.37	-	-	73.56	549.92
Projects temporarily suspended	-	-	-	58.09	58.09
Total	**476.37**	**-**	**-**	**131.65**	**608.01**

At March 31, 2022

₹ in Lakhs

	Amount in CWIP for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
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 01 April, 2021

₹ in Lakhs

	Amount in CWIP for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
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 as at March 31, 2023

₹ in Lakhs

	Amount in CWIP to be completed in				
CWIP	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
Ajinkya Hughes Projects	-	-	-	58.09	58.09
	-	-	-	58.09	58.09

5 Intangible Assets

₹ in Lakhs

	Computer Software	Total
Cost or Valuation		
At April 01, 2021	**418.43**	**418.43**
Additions	15.81	15.81
Disposals	-	-
At Mar 31, 2022	**434.24**	**434.24**
Additions	7.90	7.90
Disposals	-	-

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

	Computer Software	Total
At March 31, 2023	442.14	442.14
Depreciation		
At April 01, 2021	316.62	316.62
Depreciation charge for the period	39.82	39.82
Disposals	-	-
At March 31, 2022	356.44	356.44
Depreciation charge for the period	31.54	31.54
Disposals	-	-
At March 31, 2023	387.98	387.98

Net Book Value

₹ in Lakhs

At March 31, 2023	54.16	54.16
At March 31, 2022	77.80	77.80
At April 01, 2021	101.81	101.81

Intangible assets under development

₹ in Lakhs

Particular	March 31, 2023	March 31, 2022	April 01, 2021
Opening balance	38.62	11.74	-
Additions during the year	-	31.50	11.74
Capitalised during the year	-	4.62	-
Closing balance	38.62	38.62	11.74

Intangible assets under development ageing schedule

At March 31, 2023

₹ in Lakhs

	Amount in Intangible assets under development for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
Project in progress	-	31.50	7.12	-	38.62
Projects temporarily suspended	-	-	-	-	-
Total	-	31.50	7.12	-	38.62

At March 31, 2022

₹ in Lakhs

	Amount in Intangible assets under development for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
Project in progress	31.50	7.12	-	-	38.62
Projects temporarily suspended	-	-	-	-	-
Total	31.50	7.12	-	-	38.62

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

At March 31, 2021

₹ in Lakhs

	Amount in Intangible assets under development for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
Project in progress	11.74	-	-	-	11.74
Projects temporarily suspended	-	-	-	-	-
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:

Right to use Asset

₹ in Lakhs

At April 01, 2021	**1,113.31**
Additions during the year	328.67
Disposals	-
At March 31, 2022	**1,441.98**
Additions during the year	185.53
Disposals	(989.22)
At March 31, 2023	**638.29**
Depreciation	
At April 01, 2021	**609.10**
Additions during the year	200.48
Disposals	-
At March 31, 2022	**809.58**
Additions during the year	231.71
Disposals	(743.21)
At March 31, 2023	**298.08**
Net Book Value	
At March 31, 2023	**340.21**
At March 31, 2022	**632.40**
At April 01, 2021	**504.21**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

5B Investment property

Cost or Valuation	₹ Lakhs
At April 01, 2021	**812.44**
Additions	-
Disposals	-
At April 01, 2022	**812.44**
Additions	-
Disposals	-
At March 31, 2023	**812.44**
Depreciation	
At April 01, 2021	**61.77**
Additions	12.94
Disposals	-
At April 01, 2022	**74.72**
Additions	12.93
Disposals	-
At March 31, 2023	**87.65**
Net Book Value	
At March 31, 2023	**724.79**
At March 31, 2022	**737.72**
At March 31, 2021	**750.67**

Information regarding income and expenditure of Investment properties

₹ in Lakhs

	March 31, 2023	March 31, 2022
Rental income derived from investment properties	23.67	23.68
Direct operating expenses (including repairs and maintenance)	-	-
Profit arising from investment properties before depreciation and indirect expenses	23.67	23.68
Less :- Depreciation	12.93	12.94
Profit arising from investment properties before indirect expenses	**10.74**	**10.74**

Fair Valuation of Investment properties

₹ in Lakhs

Investment properties	Fair Value
Retails properties	726.38

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

6. Financial Assets: Investments

₹ in Lakhs

Non Current Investments	As at March 31, 2023	As at March 31, 2022	As at April 01, 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, 2022: 95,000; April 01, 2021: 95,000) shares of INR 10 each]	9.50	9.50	9.50
	9.50	**9.50**	**9.50**
b) In Associates in India			
- TCC Constructions Pvt Ltd	37.10	37.10	37.10
- TPL - CIL Construction LLP	35.00	35.00	35.00
- Captech Technologies Private Limited [NIL (March 31, 2022: 1,24,000 ; April 01, 2021: 1,24,000) shares of INR 10 each]	-	-	60.40
	72.10	**72.10**	**132.50**
c) In Perpetual Securities of subsidiary company			
- CIPL PPSL Yongnam Joint Ventures Constructions Private Limited*	470.25	468.51	483.67
Less:- Impairment in value of investment	(90.67)	(90.67)	(90.67)
	379.58	**377.84**	**393.00**
d) In others			
- Janakalyan Sahakari Bank [85,000 (March 31, 2022: 85,000 ; April 01, 2021: 85,000) shares of INR 10 each]	**8.50**	**8.50**	**8.50**
	8.50	8.50	8.50
Total	**469.68**	**467.94**	**543.50**
Details:			
Aggregate value of unquoted investments	**469.68**	**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 is increase in the same securities amounting to INR 1.74 lakhs (March 31,2022: (INR 15.16 Lakhs)) (also refer Note- 40 of 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.

₹ in Lakhs

Current Investments	As at March 31, 2023	As at March 31, 2022	As at April 01, 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 ((March 31, 2021: NIL ; April 01, 2021: 2,50,000]	-	-	32.44
a) In Associates in India			
- Captech Technologies Private Limited [NIL (March 31, 2022: 1,24,000 ; April 01, 2021: 1,24,000) shares of INR 10 each]	-	60.40	-

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

Current Investments	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	-	**60.40**	**32.44**
Details:			
Aggregate value of unquoted investments	-	60.40	32.44
Market value of unquoted investments	-	60.40	32.44

7. Loans

₹ in Lakhs

	As at March 31, 2023	As at March 31, 2022	As at April 01, 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**

8. Other financial assets

₹ in Lakhs

Non-current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Deposits with banks (under lien)	1,006.75	1,584.55	338.28
Margin money deposits with banks	614.97	-	9,493.08
Interest accrued but not due on deposits with banks	61.90	364.19	327.71
Security deposits - others	405.12	363.54	382.46
Unbilled revenue	-	-	200.00
Total	**2,088.74**	**2,312.28**	**10,741.53**

₹ in Lakhs

Current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Interest accrued but not due on deposits with banks	208.86	319.57	277.47
Contract assets	70,532.40	44,718.01	44,235.74
Submitted bills due for certification	21,851.51	12,545.50	8,135.83
Security deposits - others	1,196.77	1,138.45	1,123.93
Security deposits - unsecured	277.88	524.51	444.51
Other receivables	927.63	4,032.26	553.19
Receivable from related party	870.94	-	-
Total	**95,865.99**	**63,278.30**	**54,770.67**

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, 2023

Contract assets to extent of INR 1,305.69 lakhs is secured by guarantee provided by the promoters (Refer No 12 (c))

9. Other assets

₹ in Lakhs

Non-current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
i. Capital advances	5,911.39	6,704.94	8,753.76
Less:- Impairment of capital advance	(235.00)	-	-
	5,676.39	**6,704.94**	**8,753.76**
ii. Advances other than Capital Advances			
Balances with government authorities	1,439.60	2,052.91	1,997.43
Prepaid expenses	571.07	523.62	1,064.93
Advances to others (refer to note 30)	-	111.48	149.95
Total	7,687.06	**9,392.95**	**11,966.07**
Other Current Assets			
i. Advances other than Capital Advances			
Advances to employees	215.09	151.22	114.76
Advances to related parties	2,226.94	73.96	110.48
Advances to others	8,945.80	9,189.78	9,296.18
ii. Others			
Balances with government authorities	2,485.55	788.77	846.71
Prepaid expenses	1,454.59	1,434.90	1,704.17
Total	15,327.97	**11,638.63**	**12,072.30**

10. Non current tax assets (net)

₹ in Lakhs

Non-current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Advance tax			
[net of provision for taxation INR 15,603.44 Lakhs (March 31, 2022 INR 10,222.06 Lakhs ; April 01, 2021 INR 10,954.07 Lakhs)]	**2,484.20**	**3,183.34**	**2,208.76**
Total	**2,484.26**	**3,183.34**	**2,208.76**

11. Inventories

₹ in Lakhs

Non-current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Raw materials (at lower of cost and net realisable value)	9,773.23	11,153.96	10,044.86
Total	**9,773.23**	**11,153.96**	**10,044.86**

12. Trade receivables

₹ in Lakhs

Non-current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Trade receivables (retention)- unsecured	9,617.54	7,086.24	8,147.74
Total	**9,617.54**	**7,086.24**	**8,147.74**
Current			

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

₹ in Lakhs

Non-current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Trade receivables including retention balance-unsecured	37,432.31	46,065.70	33,092.87
[including retention of INR 7,645.84 lakhs (March 31, 2022 INR 9,538.96 lakhs ; April 01, 2021 INR 6,169.58 lakhs)]			
Receivable from related party (Refer note (a) below)	497.86	544.15	354.62
	37,930.17	46,609.85	33,447.49
Less: Impairment allowances (allowance for bad and doubtful debts)	(3,013.59)	(7,246.90)	(4,975.07)
Total	**34,916.58**	**39,362.95**	**28,472.42**
Break-up of Receivables:			
Secured - Considered good (Refer note 3 below)	1,440.84	1,038.60	37,505.01
Unsecured - Considered good	43,034.96	47,833.89	4,090.22
- Trade Receivables which have significant increase in credit risk	3,071.91	4,823.60	-
- Credit Impaired			
	47,547.71	**53,696.09**	**41,595.23**
Impairment allowances (allowed for bad and doubtful debts)			
Secured - Considered good	-	-	-
Unsecured - Considered good	2,483.04	3,136.75	3,053.58
- Trade Receivables which have significant increase in credit risk	830.55	4,110.15	1,921.49
Total	**44,234.12**	**46,449.19**	**36,620.16**

Notes:

a) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.

b) Receivable from related party (refer note 40)

c) During the year, the promoter group has entered into an agreement with Company by which any shortfall in the realisation by 30th September 2023, against the outstanding carrying value of INR 2,746.53 lakhs from certain parties shall be made good to the Company. The said carrying value includes trade receivable of INR 1,440.84 lakhs and contract asset of INR 1,305.69 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.

d) Against certain trade receivables, other exposures and contracts assets amounting to INR 6,809 Lakhs as on March 31, 2023, the Company has entered into agreements with respective clients and got allotment letter in its favour. The Company has taken legal steps to register the flats in its name to secure its commercial interest. The management is confident of its recoverability in due course and hence no provision has been made against the same in the books of accounts.

e) 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, 2023

Trade receivable ageing schedule

₹ in Lakhs

At March 31, 2023	Outstanding for the following period from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	Total
Undisputed trade receivable - considered good	28,072.19	3,164.85	4,302.74	5,074.35	3,861.68	44,475.80
Undisputed trade receivable - significant increase in credit risk	-	-	-	293.34	2,778.57	3,071.91
Undisputed trade receivable - credit impaired	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-
Disputed trade receivable - significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-
Total	**28,072.19**	**3,164.85**	**4,302.74**	**5,367.69**	**6,640.25**	**47,547.71**
At March 31, 2022						
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 April 01, 2021						
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 INR 92,383.91 lakhs as on March 31,2023 (March 31, 2022: INR 57,263.51 lakhs ; April 01, 2021: 52,371.57 lakhs) has been shown as contract assets in Note 8 -“Other financial assets.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

Note (a) : Receivable from related party

₹ in Lakhs

Particulars	As at March 31, 2023	Ast at March 31, 2022	As at April 01, 2021
TPL- CIL Construction LLP	-	289.01	69.27
Capacite Viraj AOP	239.01	234.01	244.16
Capacite E Governance	258.85	-	-
Captech Technologies Private Limited	-	8.63	28.69
Capacite Engineering Private Ltd	-	12.50	12.50
Total	**497.86**	**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.

Movement in expected credit loss allowance

₹ in Lakhs

Particulars	As at March 31, 2023	Ast at March 31, 2022	As at April 01, 2021
Balance at the beginning of the year	7,246.90	4,975.07	2,845.97
Allowance during the year trade receivables	4,544.12	3,172.74	2,129.10
Bad Debt written of against trade receivables	(6,624.03)	(900.91)	-
Bad Debt written of against other receivables/loan	(2,153.40)	-	-
Total	**3,013.59**	**7,246.90**	**4,975.07**

13 Cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2023	Ast at March 31, 2022	As at April 01, 2021
Balances with banks:			
-On current accounts	1,895.95	1,255.08	832.17
-Deposits with original maturity of less than three months	1,939.49	938.74	128.69
Cash on hand	27.15	14.15	18.84
Foreign currency on hand	3.32	3.08	2.94
Total	**3,865.91**	**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.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

14 Bank balances other than cash and cash equivalents

₹ in Lakhs

Particulars	As at March 31, 2023	Ast at March 31, 2022	As at April 01, 2021
Deposits kept as margin money	1,882.12	7,019.38	3,907.70
Deposits having maturity more than three months but less than 12 months	10,867.62	9,157.44	10,730.90
Total	**12,749.74**	**16,176.82**	**14,638.60**

15A Equity share capital

₹ in Lakhs

Particulars	As at March 31, 2023	Ast at March 31, 2022	As at April 01, 2021
(a) Authorised capital			
8,00,00,000 (March 31,2022: 8,00,00,000 ; April 01, 2021: 8,00,00,000) Equity shares of INR 10/- each	8,000.00	8,000.00	8,000.00
Total	**8,000.00**	**8,000.00**	**8,000.00**
(b) Issued, subscribed and paid up			
6,78,91,497 Equity shares of INR 10/- each fully paid (March 31,2022: 6,78,91,497 ; April 01, 2021: 6,78,91,497)	6,789.15	6,789.15	6,789.15
Total issued, subscribed and fully paid-up share capital	**6,789.15**	**6,789.15**	**6,789.15**

(c) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

INR Lakhs

Particulars	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	INR Lakhs	Nos.	INR Lakhs	Nos.	INR Lakhs
At the beginning of the year	67,891,497	6,789.15	67,891,497	6,789.15	67,891,497	6,789.15
Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	**67,891,497**	**6,789.15**	**67,891,497**	**6,789.15**	**67,891,497**	**6,789.15**

(d) Terms/Rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 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 INR.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

(e) Details of Shareholders holding more than 5% Equity Shares

₹ in Lakhs

Name of shareholders	March 31, 2023		March 31, 2022		April 01, 2021	
	Number of shares held	% of Holding	Number of shares held	% of Holding	Number of shares held	% of Holding
Rohit Ramnath Katyal	5,000,000	7.36%	5,000,000	7.36%	6,304,144	9.29%
Rahul Ramnath Katyal	7,380,953	10.87%	7,380,953	10.87%	8,380,953	12.34%
Katyal Merchandise Private Limited	9,072,994	13.36%	9,072,994	13.36%	9,072,994	13.36%
New Quest Asia Investments II Limited	4,921,080	7.25%	6,617,254	9.75%	6,617,254	9.75%
Paragon Partners Growth Fund	6,036,303	8.89%	6,036,303	8.89%	6,036,303	8.89%
ICICI Prudential Multicap Fund	-	-	1,242,371	1.83%	4,205,451	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.

(f) Disclosure of Shareholding of Promoters

₹ in Lakhs

Name of shareholders	March 31, 2023		March 31, 2022		% change during the year
	Number of shares held	% of Holding	Number of shares held	% of Holding	
Promoters					
Rohit Ramnath Katyal	5,000,000	7.36%	5,000,000	7.36%	0.00%
Rahul Ramnath Katyal	7,380,953	10.87%	7,380,953	10.87%	0.00%
Subir Malhotra	2,525,439	3.72%	2,525,439	3.72%	0.00%
Promoter group					
Katyal Merchandise Private Limited	9,072,994	13.36%	9,072,994	13.36%	0.00%
Sakshi Rohit Katyal	2,256,093	3.32%	2,256,093	3.32%	0.00%
Nidhi Rahul Katyal	70	-	70	-	0.00%
Monita Malhotra	1,616	-	-	-	0.01%
Total	26,237,165	38.65%	**26,235,549**	**38.64%**	**0.01%**

Name of shareholders	March 31, 2022		April 1, 2021		% change during the year
	Number of shares held	% of Holding	Number of shares held	% of Holding	
Promoters					
Rohit Ramnath Katyal	5,000,000	7.36%	6,304,144	9.29%	-1.93%
Rahul Ramnath Katyal	7,380,953	10.87%	8,380,953	12.34%	-1.47%
Subir Malhotra	2,525,439	3.72%	2,525,439	3.72%	-
Promoter group					
Katyal Merchandise Private Limited	9,072,994	13.36%	9,072,994	13.36%	-
Sakshi Rohit Katyal	2,256,093	3.32%	2,256,093	3.32%	-
Nidhi Rahul Katyal	70	-	70	-	-
Rahul Ramnath Katyal (Acting As A Partner Of M/S Asutosh Trade Links)	-	-	1,189,153	1.75%	-1.75%
Total	26,235,549	38.64%	**29,728,846**	**43.79%**	**-5.15%**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

15B Other equity

(a) Securities premium

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Balance as per the last financial statements	45,713.14	45,713.14	45,713.14
Total	45,713.14	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.

(b) Retained earnings

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Balance as per last financial statement	44,122.46	39,250.20	40,084.79
Add: Profit for the year	9,433.16	4,845.69	179.05
Add: Other comprehensive income for the year	58.17	26.57	138.53
Less: Restatement due change in method of measuring progress	-	-	(1,152.15)
Total	53,613.79	44,122.46	39,250.22

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.

(c) Money received against share warrants *

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening balance	-	-	-
Add:- Subscription amount towards share warrants	1,240.00	-	-
Closing balance	1,240.00	-	-
Grand Total	100,566.93	89,835.60	84,963.36

* During the year, the Company has issued and allotted 31,00,000 fully convertible warrants, each convertible into one equity share, on preferential basis at an issue price of INR 160/- each, as determined in accordance with the Regulation 28(1) of the SEBI (LODR) Regulations, 2018, after receipt of subscription money of 25% of the issue price (i.e. INR 40/- per warrant). Balance 75% of the issue price (i.e. INR 120/- per warrant) shall be payable, at the time of exercising the option to apply for fully paid–up equity share of INR 10/- each of the Company. Balance 75% money towards such remaining warrants is yet to be received. The last day for exercising the option for conversion/exchange the warrants into/for equity shares of the Company is December 08, 2023, being 18 months from the date of allotment of warrants i.e. June 09, 2022.

Notes to reserves

i) Securities premium

The amount received in excess of face value of the equity shares is recognised in Securities Premium.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

ii) Retained earnings

Retained earnings are the profits that the Company has earned till date.

iii) Debenture redemption reserve (DRR)

No DRR is required as per notification by MCA issued on August 16, 2019 as the debentures are issued by listed Company on private placement basis.

16. Borrowings

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Non-Current borrowings			
Debentures			
12.5% Redeemable Non-Convertible Debentures (NCDs) (Secured)	5,432.38	7,551.01	-
	5,432.38	**7,551.01**	**-**
Term loans			
From banks (secured)	3,282.00	5,007.15	7,208.08
From financial institutions (secured)	2,448.11	1,178.44	1,025.71
	5,730.11	6,185.59	8,233.79
Total	**11,162.49**	**13,736.60**	**8,233.79**

Secured Redeemable Non-Convertible Debentures (NCDs)	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Gross amount	Carrying value	Gross amount	Carrying value	Gross amount	Carrying value
12.5% Redeemable Non-Convertible Debentures	10,000.00	5,432.38	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 equipments 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

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Working capital loan (secured)			
From bank	15,818.46	9,570.39	13,723.53
Debentures			
12.5% Redeemable Non-Convertible Debentures (NCDs) (Secured)	4,285.71	-	-
Bills discounted with bank (secured)	-	-	2,259.82
Current maturity of long term loans (secured)			
From banks	2,390.28	3,522.73	3,518.49
From financial institutions	894.77	878.13	729.19

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
From related parties			
Intercorporate deposits from related party (unsecured)	-	85.72	85.72
Loans from directors (unsecured) (refer note 'd' below)	2,031.58	5,016.04	58.04
Total	**25,420.80**	**19,073.01**	**20,374.79**
Aggregate secured borrowings	34,551.71	27,707.86	28,464.82
Aggregate unsecured borrowings	2,031.58	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 INR 0.15 Lakhs to INR 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 INR 14,195.76 Lakhs (March 31, 2022 INR 12,858.20 Lakhs ; April 01, 2021 INR 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 INR 0.12 Lakhs to INR 14 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 INR 15,297.43 Lakhs (March 31, 2022 INR 4,183.29 Lakhs ; April 01, 2021 INR 3,801.00 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 Mortgage of fixed assets, and Hypothecation of 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 +2.65% to 3.650% presently, in range of 9.90% to 12.10% p.a.

d) Loan from directors are unsecured and subject to the guarantees provided by Mr. Rohit Katyal & Mr. Rahul Katyal in respect of outstanding trade receivable as covered in note 12. The loan will get adjusted to the extent of shortfall in recovery of the specified trade receivable before September 30, 2023.

e) Guarantee provided by Mr. Rohit Katyal & Mr. Rahul Katyal (Promoters) to the Company for the recovery of Trade receivables, on or before February 27, 2023, to the extent of INR 3,281 lakhs.

f) Guarantee mentioned in e) above has been extended to September 30, 2023, for the remaining outstanding Trade receivables of INR 2,746.53 lakhs.

g. Statements/returns submitted to the banks vis-a-vis balances as per books of accounts:

Quarter ending	Value as per books of accounts	Value as per quarterly return/statement	Discrepancy
Inventory			
June 30, 2022	5,817.98	5,191.24	626.74
September 30, 2022	5,063.70	5,037.55	26.15
December 31, 2022	5,349.32	4,715.04	634.28
March 31, 2023	7,685.93	3,794.51	3,891.42

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

Quarter ending	Value as per books of accounts	Value as per quarterly return/statement	Discrepancy
Trade receivable + WIP (Unbilled revenue)			
June 30, 2022	81,972.51	69,596.52	12,375.99
September 30, 2022	108,879.28	87,378.76	21,500.52
December 31, 2022	79,471.73	89,799.90	(10,328.17)
March 31, 2023	82,958.13	97,011.25	(14,053.12)

Quarter ending	Value as per books of accounts	Value as per quarterly return/statement	Discrepancy
Trade payable			
June 30, 2022	31,902.69	24,559.21	7,343.48
September 30, 2022	29,964.46	28,398.51	1,565.95
December 31, 2022	24,382.66	25,752.58	(1,369.92)
March 31, 2023	27,685.53	20,320.01	7,365.52

The overall difference between the statements/returns submitted to the banks is INR 231.23 Lakhs (derived after deducting the trade payables from the total of inventory, WIP (unbilled revenue) and trade receivable) is higher than the books of account. 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

Particulars	Non Current borrowings (included interest accrued)	Current borrowings	Total
April 01, 2021	**12,536.39**	**16,127.11**	**28,663.50**
Cash flow (As per statement of cash flow) (net)	5,655.99	(1,607.65)	4,048.34
Interest expense	6,696.41	-	6,696.41
Interest paid	(6,229.88)	-	(6,229.88)
Balance as on March 31,2022	**18,658.91**	**14,519.46**	**33,178.37**
Cash flow (As per statement of cash flow) (net)	595.81	3,178.39	3,774.20
Interest expense	8,940.54		8,940.54
Interest paid	(8,948.56)		(8,948.56)
Balance as on March 31,2023	**19,246.70**	**17,697.85**	**36,944.55**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

16A Lease Liability

₹ in Lakhs

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Non-current lease liability	165.24	443.21	294.50
(b) Current lease liability	219.62	244.03	220.96
Total	**384.86**	**687.24**	**515.46**

₹ in Lakhs

	As at March 31, 2023	As at March 31, 2022
(c) Reconciliation between total future minimum lease payments and their present value:		
Total future minimum lease payments	456.74	843.84
Less: Future liability on interest account	71.88	156.60
Present value of future minimum lease payments	384.86	687.24

₹ in Lakhs

	As at March 31, 2023		As at March 31, 2022	
	Total Minimum Lease payments	Present value of lease payments	Total Minimum Lease payments	Present value of lease payments
(d) Year wise future minimum lease rental payments:				
Particulars				
(i) Not later than one year	261.96	219.62	320.12	244.47
(ii) Later than one year but not later than five years	194.78	165.24	524.16	442.77
Total	**456.74**	**384.86**	**844.28**	**687.24**

₹ in Lakhs

	Year ended March 31, 2023	Year ended March 31, 2022
(e) Lease liability movement		
Opening balance	687.24	515.46
Less: Lease liability terminated during the year	314.25	-
Add: Contract assets during the year	182.06	328.22
Add: Finance cost charged during the year	52.81	90.50
Less: Lease payments during the year	223.00	246.94
Closing balance	**384.86**	**687.24**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

17 Trade payables

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Total outstanding dues of micro enterprises and small enterprises (Refer note 35)	2,709.90	2,080.97	953.02
	2,709.90	**2,080.97**	**953.02**
Total outstanding dues of creditors other than micro enterprises and small enterprises.			
Acceptances (refer note (a) below)	15,122.43	12,932.31	9,766.27
Trade payables (refer note (b) below)	44,206.74	38,035.93	30,637.81
Trade payables to related parties	127.22	80.83	853.58
Sub Total	**59,456.39**	**51,049.07**	**41,257.66**
Total	**62,166.29**	**53,130.04**	**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).

Trade payable ageing schedule

At March 31, 2023

₹ in Lakhs

	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2- 3 years	More than 3 Years	Total
Total outstanding due to MSME	2,462.73	188.47	18.97	39.73	2,709.90
Total outstanding due to creditors other than MSME	54,777.77	2,220.97	1,049.50	1,202.31	59,250.55
Disputed dues MSME	-	-	-	-	-
Disputed dues others than MSME	65.94	81.62	0.82	57.47	205.85
Total	57,306.44	2,491.06	**1,069.29**	**1,299.51**	**62,166.30**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

At March 31, 2022

₹ in Lakhs

	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2- 3 years	More than 3 Years	Total
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	46,943.06	1,680.24	1,678.64	785.79	51,087.73
Disputed dues MSME	-	-	-	-	-
Disputed dues others than MSME	-	-	-	-	-
Total	**48,871.52**	**1,728.14**	**1,723.28**	**807.10**	**53,130.04**

At March 31, 2021

₹ in Lakhs

	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2- 3 years	More than 3 Years	Total
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

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Non-current			
Other financial liabilities at amortized cost			
Retention money payable to others	4,135.01	3,382.94	2,756.00
Retention money payable to related parties	278.91	206.47	64.92
Total	**4,413.92**	**3,589.41**	**2,820.92**
Current			
Other financial liabilities at amortized cost			
Interest accrued but not due on borrowings	-	51.62	51.62
Interest accrued on loans from directors	157.67	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	203.07	2.74	1,844.70
Creditors for capital goods/services	3,565.94	2,793.20	-
Employee dues	1,917.29	1,421.38	1,098.88
Total	**5,843.97**	**4,583.34**	**2,999.92**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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, 2023	As at March 31, 2022	As at April 01, 2021
Non-current			
Provision for employee benefits			
Gratuity	181.45	316.34	214.82
Total	**181.45**	**316.34**	**214.82**
Current			
Provision for employee benefits			
Gratuity	366.07	137.64	107.72
Leave encashment	66.63	75.98	75.53
Other provisions	31.28	31.28	36.01
Total	**463.98**	**244.90**	**219.26**

	Workman Compensation	Employee Term Insurance Payable	Total
At April 01, 2022	31.28	-	31.28
Addition:	-	-	-
Utilised :	-	-	-
At March 31, 2023	**31.28**	**-**	**31.28**

	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**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

20 Current tax liabilities (net)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Provision for tax	2,054.03	1,258.49	1,251.53
[net of advance tax INR 2,100.73 Lakhs (March 31, 2022 INR 2,306.71 Lakhs ; April 01, 2022 INR 2,305.83 Lakhs)]			
Total	**2,054.03**	**1,258.49**	**1,251.53**

21 Deferred tax liabilities (net)

₹ in Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Deferred tax liabilities (net)	5,290.91	3,248.37	3,082.42
Total	**5,290.91**	**3,248.37**	**3,082.42**

₹ in Lakhs

Particulars	As at March 31, 2022	Recognised in Profit or Loss	As at March 31, 2023
Deferred tax assets in relation to:			
Provisions	2,229.14	(1,316.11)	913.03
Retention	1,130.33	(1,130.33)	-
Property, plant and equipment	-		-
Impact of deferred tax for rent paid on INDAS 116	-	52.61	52.61
Impact of deferred tax due to restatement (Refer note 50)	260.63	(260.63)	-
	3,620.10	**(2,654.46)**	**965.64**
Deferred tax liabilities in relation to:			
Property, plant and equipment	4,820.30	176.94	4,997.24
Retention money	1,500.78	(261.03)	1,239.75
Impact on adoption of Ind AS 115	203.17	(203.17)	-
Bad Debt	226.80	(226.80)	-
Others	117.42	(97.86)	19.56
Total	**6,868.47**	**(611.92)**	**6,256.55**
Net deferred tax liabilities	**3,248.37**	**2,042.54**	**5,290.91**

₹ in Lakhs

Particulars	As at April 01, 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
Others	1,085.31	45.02	1,130.33
Impact of change in method of revenue recognition (Refer note 50)	387.50	(126.87)	260.63
	2,861.31	**758.79**	**3,620.10**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

₹ in Lakhs

Particulars	As at April 01, 2021	Recognised in Profit or Loss	As at March 31, 2022
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	**3,082.42**	**165.95**	**3,248.37**

₹ in Lakhs

Particulars	As at March 31, 2020	Recognised in Profit or Loss	As at April 01, 2021
Deferred tax assets in relation to:			
Provisions	853.06	535.44	1,388.50
Retention	-	1,085.31	1,085.31
Impact of change in method of revenue recognition (Refer note 50)	-	387.50	387.50
	853.06	**2,008.25**	**2,861.31**
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**	**(786.51)**	**3,082.42**

22 Other liabilities

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Non-current			
Contract liabilities			
Advance from customers	12,126.88	18,961.87	25,985.84
Advance from customers - related party/others	1,045.70	-	-
Total	**13,172.58**	**18,961.87**	**25,985.84**
Current			
Contract liabilities			
Advance from customers	17,862.73	20,803.14	22,828.07
Statutory dues	5,119.26	2,142.26	473.47
Total	**22,981.99**	**22,945.40**	**23,301.54**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

23 Revenue from operations

₹ in lakhs

	March 31, 2023	March 31, 2022
Contract revenue	177,568.00	132,672.46
Other operating income		
- Scrap sales	1,507.84	1,310.35
Total	179,075.84	133,982.81

24 Other income

₹ in lakhs

	March 31, 2023	March 31, 2022
(a) Interest income		
- Interest on fixed deposits	716.44	823.94
- Other interest income	1.18	202.30
(b) Other non operating income		
- Equipment hire charges	-	4.50
- Service charge income	-	5.04
- Net Gain on sale of investments	1.60	0.19
- Miscellaneous income	197.54	271.75
Total	916.76	1,307.72
Net gains (losses) on sale of Investments		
Investments classified at FVTPL	1.60	0.19
Total Net gains (losses) on sale of investments	1.60	0.19

25 Cost of material consumed

₹ in lakhs

	March 31, 2023	March 31, 2022
Opening stock	11,153.96	10,044.86
Add: Purchase of material (other than capitalised)	65,449.41	56,597.96
Less: Closing stock	(9,773.23)	(11,153.96)
Total	66,830.14	55,488.86

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

26 Construction expenses

₹ in lakhs

	March 31, 2023	March 31, 2022
Labour/Subcontractor charges	45,124.98	30,189.75
Electricity expenses (Site)	1,571.49	1,107.29
Equipment hire charges	2,169.49	1,135.71
Formwork hire charges	1,079.83	1,479.68
Other construction expenses	3,850.04	3,668.40
Total	53,795.83	37,580.83

27 Employee benefit expenses

₹ in lakhs

	March 31, 2023	March 31, 2022
Salaries, wages and bonus	11,995.47	10,256.22
Contributions to provident and other funds	316.20	261.12
Staff welfare expenses	452.17	371.75
Total	12,763.84	10,889.09

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 said code is made effective prospectively from May 03, 2023. The Company is assessing the impact, if any, of the Code.

28 Finance cost

₹ in lakhs

	March 31, 2023	March 31, 2022
Interest on borrowings	4,807.36	2,743.87
Other interest expenses	2,137.43	1,583.70
Bank guarantee commission	1,289.72	1,771.08
Bank charges	706.03	597.76
Total	8,940.54	6,696.41

* Includes INR 357.09 Lakhs as Interest on financial liabilities measured at amortised cost (March 31, 2022: INR 1.01 Lakhs)

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

29 Depreciation and amortisation expenses

₹ in lakhs

	March 31, 2023	March 31, 2022
Depreciation of property, plant and equipment	13,323.46	9,628.07
Depreciation of Investment properties	12.92	12.94
Amortization of intangible assets	31.54	39.82
Depreciation of right-of-use assets	231.71	200.48
Total	**13,599.63**	**9,881.31**

30 Other expenses

₹ in lakhs

	March 31, 2023	March 31, 2022
Electricity charges	20.16	40.67
Rent	565.63	555.55
Rates and taxes	493.97	332.57
Insurance expenses	215.74	232.47
Repairs and maintenance of :		
Plant and machinery	286.20	215.53
CSR expenditure (refer note below)	111.80	170.42
Commission and brokerage	33.66	22.87
Legal and professional charges	1,291.66	1,301.26
Payment to auditor (refer note below)	76.00	69.00
Advertising and sales promotion	85.32	63.25
Travelling expenses	297.79	328.60
Vehicle hiring charges	303.99	296.89
Communication costs	53.95	40.66
Impairment allowance for trade receivables	4,844.12	3,172.74
Donation	2.00	-
Office expenses	991.50	958.53
Printing and stationery	127.35	104.85
Loss on sale of site establishment	577.78	-
Miscellaneous expenses	189.87	264.42
Total	**10,568.49**	**8,170.28**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

Corporate Social Responsibility expenditure

As per section 135 of the Companies Act, 2013 read with relevant rules thereon, the Company was required to spend INR 111.80 Lakhs (March 31, 2022: INR 170.42 Lakhs) on Corporate Social Responsibility (CSR) activities during FY 2022-23. Against it, the Company has adjusted the said amount out of excess amount spent in earlier year brought forward INR 148.53 lakhs (March 31, 2021: INR 318.95 lakh) towards CSR activities. The balance excess CSR amount of INR 36.73 lakhs (March 31, 2022: INR 148.53 lakhs) has been carried forward to next year.

Amount spent during the year ended March 31, 2023 on:	Excess brought forward	Amount adjusted during the year	Amount carried forward
(i) Construction of any asset	-	-	-
(ii) Purposes other than (i) above	148.53	(36.73)	111.80
Total	148.53	(36.73)	111.80

Amount spent during the year ended March 31, 2022 on:	Excess brought forward	Amount adjusted during the year	Amount carried forward
(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

Payment to auditors (excluding GST)	March 31, 2023	March 31, 2022
As auditors:		
Statutory audit fees	41.50	38.50
Limited review of standalone and consolidated financial statement on quarterly basis	31.50	27.50
For Other services including certification works	3.00	3.00
	76.00	**69.00**

31 Income tax

The income tax expense for the year can be reconciled to the accounting profit as follows :

₹ in lakhs

Particulars	March 31, 2023	March 31, 2022
Profit before tax	13,494.13	6,583.75
Income tax expense calculated at 25.168% (applicable tax rate)	3,396.20	1,657.00
Add/(Less) tax effect on account of :		
Deferred tax charged on account of timing difference	359.97	-
Other impacts		
Tax effect of permanent non deductible expenses	304.80	81.06
Income tax expense recognised in statement of profit and loss	4,060.97	**1,738.06**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

32 During the year, following expenses are capitalised to site establishment (also refer note 3(d) on PPE)

₹ in lakhs

Particulars	March 31, 2023	March 31, 2022
Raw material consumed	1,624.53	4,147.53
Labour/Subcontractor charges	585.76	797.57
Equipment's hire charges	35.91	-
Others	-	11.77
Total	2,246.20	4,956.87

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 after adjusting for estimated interest saving in future due to conversion of share warrants 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 share warrants into Equity shares.

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

₹ in lakhs

Particulars		March 31, 2023	March 31, 2022
Basic earnings per share			
Profit after tax as per accounts (INR In Lakhs)	A	9,433.16	4,845.69
Weighted average number of equity shares outstanding	B	67,891,497	67,891,497
Basic EPS	A/B	13.89	7.14
Diluted earnings per share			
Profit after tax as per accounts (INR In Lakhs)		9,433.16	4,845.69
Estimated interest savings on conversion of share warrants		385.55	-
Total profit attributable to equity holders	C	9,818.71	4,845.69
Weighted average number of equity shares outstanding for basic EPS		67,891,497	67,891,497
Effect of dilution: Share warrant		3,100,000	-
Weighted average number of equity shares outstanding for diluted EPS	D	70,991,497	67,891,497
Diluted EPS	C/D	13.83	7.14
Face Value per share (INR)		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.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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, 2023 amounts to INR 2,709.90 Lakhs (March 31,2022: INR 2042.31 Lakhs).

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
-Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2,709.90	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	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	167.25	167.25	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, 2023	As at March 31, 2022	As at April 01, 2021
Contract assets			
Unbilled revenue			
Non-current	-	-	200.00
Current	92,383.91	57,263.51	52,371.57
Total Contract assets	**92,383.91**	**57,263.51**	**52,571.57**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Contract liabilities			
Advance from customers			
Non-current	13,172.58	18,961.87	25,985.84
Current	17,862.73	20,803.14	22,828.07
Total Contract liabilities	**31,035.31**	**39,765.01**	**48,813.91**
Receivables			
Trade receivables (gross)			
Non current	9,617.54	7,086.24	8,147.74
Current	37,930.17	46,609.85	33,447.49
Less : Impairment allowance	(3,013.59)	(7,246.90)	(4,975.07)
Net receivables	**44,534.12**	**46,449.19**	**36,620.16**
Total	**105,882.72**	**63,947.69**	**40,377.82**

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.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

₹ in lakhs

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Opening balance (unbilled revenue)	57,263.51	39,765.01	52,571.57	48,813.91	53,910.60	40,636.81
Less : Revenue recognized during the year from balance at the beginning of the year, (net)	36,645.87	16,231.50	37,565.73	33,315.33	52,419.38	8,963.55
Add : Advance received during the year not recognized as revenue	-	1,045.70	-	24,266.43	-	-
Add : Revenue recognized during the year apart from above, (net)	71,766.27	6,456.10	42,257.67	-	51,080.35	17,140.65
Closing balance	**92,383.91**	**31,035.31**	**57,263.51**	**39,765.01**	**52,571.57**	**48,813.91**

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, 2023 is INR 9,27,715.68 (March 31, 2022: 9,77,069.92 Lakhs out of which, majority is expected to be recognised as revenue within 36 months. The performance obligation to be recognized includes the work order/letter of intent of INR 28,292.57 for which no revenue has been booked in the current year as the projects are under hold.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

37 Contingent liabilities

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Corporate guarantee given on behalf of subsidiary company	-	-	1,095.00
Bank guarantees	8,014.67	9,013.09	11,900.95
Provident fund	106.29	106.29	-
GST demand	4,000.17	4,000.17	-
Maharashtra Value Added Tax	178.53	178.53	178.53
Income tax demand	-	3,115.04	-
Total	**12,299.66**	**16,413.12**	**13,174.48**

a) 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. In this matter there is no further developement.

38 Capital and other commitments

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances)			
-on Property, plant & equipment	669.16	88.77	410.70
Total	**669.16**	**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.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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, 2023	For the year Ended March 31, 2022
Current service cost	94.80	111.90
Net interest cost	41.56	33.68
Net benefit expenses	**136.36**	**145.58**

(ii) Re-measurement (gain)/loss recognised in other comprehensive income

₹ in lakhs

Particulars	For the Year Ended March 31, 2023	For the year Ended March 31, 2022
Actuarial loss / (gain) due to defined benefit obligation ('DBO') and assumption changes	(41.85)	(11.92)
Return on plan assets less / greater than discount rate	5.39	8.32
Actuarial losses / (gains) due recognised in OCI	(36.46)	(3.60)

(iii) The amounts recognised in the Balance Sheet are as follows :

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Defined benefit obligation	569.54	589.51	534.93
Fair value of plan assets	22.02	135.53	212.40
Net Plan Liability/ (Asset)	**547.52**	**453.98**	**322.53**

(iv) The changes in the present value of defined benefit obligation for Gratuity are as follows:

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening defined benefit obligation	589.51	534.93	564.42
Add: Service cost	94.80	111.90	113.37
Add: Interest cost	41.56	33.68	29.07
Add: Actuarial Gain on obligation arising from changes in experience adjustments	(41.85)	(11.92)	(38.24)
Less: Benefit paid	(114.48)	(79.08)	(133.69)
Closing defined benefit obligation	569.54	589.51	534.93

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

(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, 2023	As at March 31, 2022	As at April 01, 2021
Opening balance of the fair value of plan assets	135.53	212.40	343.86
Add: Interest income on plan assets	6.36	10.54	17.41
Add/(Less): Actuarial gains/(losses)	(5.39)	(8.32)	(15.18)
Less: Benefits paid	(114.48)	(79.09)	(133.69)
Closing balance of the fair value of plan assets	**22.02**	**135.53**	**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, 2023	For the year Ended March 31, 2022
Investments with insurer managed funds	**100%**	**100%**

(vii) Principal actuarial assumptions as at Balance Sheet date:

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Discount rate	7.50%	6.00%	6.00%
Expected return on assets	6.50%	6.50%	6.50%
Employee attrition rate	35.00%	24.00%	24.00%
Salary growth rate	5.00%	5.00%	5.00%

(viii) Sensitivity Analysis

₹ in lakhs

Assumptions	For the Year Ended March 31, 2023			
	Discount rate		Future Salary Increase	
Sensitivity Analysis	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**
	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
Total	-13.48	14.16	14.37	-13.94

₹ in lakhs

Particulars	For the Year Ended March 31, 2023			
Assumptions	Discount rate		Future Salary Increase	
Sensitivity Analysis	**1% Increase**	**1% Decrease**	**1% Increase**	**1% Decrease**
	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
Impact on define benefit obligation	**-19.41**	**20.77**	**20.77**	**-19.76**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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, 2023	For the year Ended March 31, 2022
Within 1 year	229.63	137.63
Between 1 - 2 years	61.46	58.76
Between 2 - 3 years	68.05	60.48
Between 3 - 4 years	52.55	72.05
Between 4 - 5 years	41.92	61.13
Beyond 5 years	275.09	310.02

The average duration of the defined benefit plan obligation at the end of the reporting period is 16 years (March 31, 2022 - 15 years).

The contribution expected to be made by the Company during the next financial year 153.95 Lakhs (2021-22: INR 169.20 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 INR 66.63 lakh (year ended 31 March 2022: INR 75.98 lakh) is presented as current. The Company has provided INR 31.92 lakh (31 March 2022: INR 32.37 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
	Capacite- E- Governance JV *
Joint Venture	PPSL Capacite JV
	Capacite Viraj AOP
	CEPL- CIL Joint Venture
	CIL- SIPL JV
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 (upto 29 September, 2022)

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

Key Management Personnel	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
Non-Executive Director and Independent director	Farah Nathani Menzies - Independent director Sumeet Nindrajog- Non-Executive Director Siddharth Parekh- Non- Executive Director Arun Karambelkar- - Independent director (Re-appointment as from May 18, 2021) Manjushree Nitin Ghodke- Independent Director
Relatives of Key Management Personnel	Sakshi Katyal - Wife of Mr. Rohit Katyal Monita Malhotra - Wife of Mr. Subir Malhotra

*** Unincorporated entity - treated as subsidiary**

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	March 31, 2023	March 31, 2022
CIPL-PPSL Yongnum JV Constructions Private Limited	Subsidiary Company	Converted in unsecured perpetual securities (Non cash)	379.58	377.84
Capacite- E-Governance JV	Subsidiary Company	Sale of properties/rights /Material/services	789.24	-
Capacite Viraj AOP	Associate	Revenue	-	21.51
		Purchase of Material	-	2.00
CEPL- CIL Joint Venture	Joint Venture	Expenses recovered	251.45	-
		Subcontracting charges	144.63	-
		Security deposit	7.23	-
		Advances given under sale/purchase of goods and services	403.95	-
CIL- SIPL JV	Joint Venture	Expenses recovered	0.10	-
TPL-CIL Construction LLP	Associates	Other income		1,358.63
		Sale of goods or services	4,790.34	-
		Purchase of goods or services	1,010.21	-

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	March 31, 2023	March 31, 2022
Captech Technologies Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Other income	-	17.00
		Legal and professional charges	-	57.25
		Miscellaneous expenses	-	60.96
Capacit'e Engineering Private Limited	Enterprises directly or indirectly owned / significantly influenced by directors/key management personnel or their relatives	Subcontracting charges	2,077.64	1,060.72
		Other construction expenses	-	66.35
		Legal and professional charges	-	298.36
		Architectural Fees	-	395.00
		Purchase of Material	18.86	432.34
		Sale of investments on Captech Technologies Private Limited	62.00	-
		Security deposit	102.37	54.04
Katyal Merchandise Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Interest expense	0.79	15.93
		Interest paid	18.38	-
		Intercorporate deposits repaid	85.72	150.00
		Intercorporate deposits taken	-	150.00
Katyal Ventures Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Rent expenses	0.46	4.41
Sakshi Rohit Katyal Jointly with Rohit Ramnath Katyal	relatives of directors	Money Received Against Share Warrants	620.00	-
Sakshi Katyal	Relatives of Directors	Rent expenses	9.00	7.50
Rohit Katyal	Executive Director & Chief Financial Officer	Loan from director	117.19	3,240.00
		Loan repaid to director	1,036.50	823.00
		Debt assignment adjusted against loan	1,373.45	
		Interest on Loan (Gross)	153.24	166.74
		Interest repaid/adjusted to director	222.01	-
		Directors Remuneration (refer note below)	204.30	94.20

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	March 31, 2023	March 31, 2022
Rahul Katyal	Managing Director	Directors Remuneration (refer note below)	203.55	97.20
		Principle adjusted	71.70	
		Sale of premises	517.00	3,220.00
		Loan repaid/adjusted to director	1,137.00	679.00
		Interest repaid/adjusted to director	224.87	-
		Money Received Against Share Warrants	620.00	-
		Interest on Loan (Gross)	187.02	161.42
Mrs. Monita Malhotra	Relatives of Directors	Rent expenses	6.74	29.21
Subir Malhotra	Executive Director	Directors Remuneration (refer note below)	86.20	86.20
Varsha Malkani	Company Secretary	Remuneration	19.25	11.76
Manjushree Ghodke	Independent director	Sitting Fees	3.30	4.15
Manjushree Ghodke	Independent director	Commission	3.00	3.00
Arun Karambelkar	Independent director	Sitting Fees	2.75	3.20
Arun Karambelkar	Independent director	Commission	3.00	3.00
Farah Nathani Menzies	Independent director	Sitting Fees	3.30	2.50
Farah Nathani Menzies	Independent director	Commission	3.00	3.00
Saroj Kumar Pati	Chief Executive Officer	Remuneration	-	81.70

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.

Over and above the transactions disclosed above, following transactions have also been entered into with the promoters, which does not have impact on the profit & loss of the company during the year:

a) Guarantee provided by Mr. Rohit Katyal & Mr. Rahul Katyal (Promoters) to the Company for the recovery of Trade receivables, on or before February 27, 2023, to the extent of INR 3,281 lakhs.

b) Guarantee mentioned in a) above has been extended to September 30, 2023, for the remaining outstanding Trade receivables of INR 2,746.53 lakhs

c) Assignment of receivables of INR 1,374 lakhs to Mr Rohit Katyal, the consideration of which is settled by way of adjustment from the loan outstanding to Mr. Rohit Katyal as on March 30, 2023.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

Compensation of key management personnel of the Company

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Compensation including sitting fees	531.65	389.91
Total	531.65	389.91

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, 2023	As at March 31, 2022	As at April 01, 2021
CIPL-PPSL Yongnum JV Constructions Private Ltd	Subsidiary Company	Investment in Perpetual Securities Unquoted	379.58	377.84	392.99
Capacite- E-Governance JV	Subsidiary Company	Receivable	880.24	-	-
PPSL Capacite JV	Joint Venture	Trade payable	6.39	6.39	6.39
Capacite Viraj AOP	Joint Venture	Trade receivables	239.01	234.01	218.93
CEPL- CIL Joint Venture	Joint Venture	Trade receivables	761.78	-	-
		Security Deposit	7.23	-	-
CIL- SIPL JV	Joint Venture	Receivable	0.10	-	-
TPL-CIL Construction LLP	Associates	Trade receivables	-	289.01	69.27
		Trade payable	1,045.70	-	-
Captech Technologies Private Limited	Associates	Investment	-	60.40	60.40
		Trade payable	26.48	27.23	43.16
Capacit'e Engineering Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Trade Payable	-	-	652.59
		Mobilization advance	102.37	-	-
		Trade receivables	1,515.15	53.94	-

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Balance	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
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	0.02	0.39	-
Sakshi Katyal	Relatives of Directors	Other Payable	7.43	2.03	-
Rohit Katyal	Director and Chief Financial Officer	Unsecured loan from director	368.86	2,745.70	59.42
Rahul katyal	Managing Director	Unsecured loan from director	1,818.81	2,567.07	-
Mrs. Monita Malhotra	Relatives of Directors	Trade payable	0.31	6.06	2.99

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 lesseeThe 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.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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 32 for further disclosures.

iii) Revenue Recognition

The Company recognises revenue and profit/loss on the basis of (Input method) entity's efforts i.e. costs incurred on an accrual basis to the total expected inputs to the satisfaction of that performance obligation. 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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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.

iii) Cost to complete

For assessing onerous contracts the Company is required to estimate the costs to complete of each contract. 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, 2023, March 31, 2022 & April 01,2021.

As at March 31, 2023

₹ 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		-	44,534.12	44,534.12	44,534.12
Cash and cash equivalent		-	3,865.91	3,865.91	3,865.91
Bank balances other than cash and cash equivalent		-	12,749.74	12,749.74	12,749.74
Loans		-	-	-	-
Other Financial Assets		-	97,954.73	97,954.73	97,954.73
Total		**8.50**	**159,104.50**	**159,113.30**	**159,113.30**
Financial Liabilities					
Borrowings (including current maturities)		-	36,583.29	36,583.29	36,583.29
Trade payables		-	62,166.29	62,166.29	62,166.29
Other financial liabilities (excluding current maturities)		-	10,642.75	10,642.75	10,642.75
Total		**-**	**109,392.33**	**109,392.33**	**109,392.33**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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		-	46,449.19	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		-	65,590.58	65,590.58	65,590.58
Total		**8.50**	**131,727.64**	**131,736.14**	**131,736.14**
Financial Liabilities					
Borrowings (including current maturities)		-	32,809.61	32,809.61	32,809.61
Trade payables		-	53,130.04	53,130.04	53,130.04
Lease liabilities			687.24	687.24	687.24
Other financial liabilities (excluding current maturities)		-	8,172.75	8,172.75	8,172.75
Total		**-**	**94,799.64**	**94,799.64**	**94,799.64**

At April 01, 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**	**120,593.25**	**120,634.19**	**120,634.19**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Particulars	Level	Fair value through statement of profit and loss account	Amortised cost	Total carrying value	Total fair value
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 (excluding current maturities)		-	5,820.84	5,820.84	5,820.84
Total		**-**	**77,155.56**	**77,155.56**	**77,155.56**

*Excludes Group companies investments INR 461.18 Lakhs (March 31, 2022 INR 519.84 Lakhs, March 31, 2021 INR 535.00 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.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows :

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Debt (i)	36,583.29	32,809.61	28,608.58
Less: Cash and Bank balances	3,865.91	2,211.05	982.64
Net debt	**32,717.38**	**30,598.56**	**27,625.94**
Total Capital (ii)	107,356.08	96,624.75	91,752.51
Capital and Net Debt	**140,073.46**	**127,223.31**	**119,378.45**
Net debt to Total Capital plus net debt ratio (%)	23.36%	24.05%	23.14%

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

(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, 2023, March 31, 2022 and April 01, 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, 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.

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, 2023	As at March 31, 2022	As at April 01, 2021
Increase in basis points	+50	+50	+50
Effect on profit before tax	(173.48)	(153.55)	(148.52)
Decrease in basis points	(50)	(50)	(50)
Effect on profit before tax	173.48	153.55	148.52

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

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, 2023	< 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	Total
ECL Rate	0.60%	8.10%	7.20%	6.80%	28.90%	-
Estimated total gross carrying amount at default	28,072.19	3,164.85	4,302.74	5,367.69	6,640.25	47,547.71
ECL specified approach	169.77	255.07	310.01	362.69	1,916.04	3,013.59
Net carrying amount	27,902.42	2,909.78	3,992.73	5,005.00	4,724.21	44,534.12

₹ 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, 2023

₹ in Lakhs

At April 01, 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

₹ in Lakhs

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**
Add/ (Less) provision for expected credit loss	4,544.12
(Less) Bad debt written off	(6,624.03)
(Less) Bad debt written off on other receivables	(2,153.40)
Impairment allowance as on March 31, 2023	**3,013.59**

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
As at March 31, 2023				
Borrowings (including current maturities)	15,818.46	9,602.34	11,162.49	36,583.29
Other financial liabilities	-	5,843.97	4,413.92	10,257.89
Lease liabilities	-	219.62	165.24	384.86
Trade payables	-	62,166.29	-	62,166.29
	15,818.46	**77,832.22**	**15,741.65**	**109,392.33**
As at 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	-	53,130.04	-	53,130.04
	9,570.39	**67,460.03**	**17,769.22**	**94,799.64**

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

Particulars	On demamd	Within 12 months	After 12 months	Total
As at April 01, 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**

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 no 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 said code is made effective prospectively from May 3, 2023. The Company is assessing the impact, if any, of the Code.

48 Ratio

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Change	Remark
a) Current ratio	Current Assets	Current Liabilities	1.45	1.43	1%	
b) Debt equity ratio	Total Debt	Share Holder's Equity	0.34	0.34	0%	
c) Debt service coverage ratio	Earnings of Debt service= Net profit after tax + non cash expenses	Debt service= Interest and lease payment+ Principal repayment	3.01	2.48	21%	
d) Return on equity	Net profit after tax - preference dividend	Average share holder's equity	9.25%	4.74%	95%	Increase in the ratio is due to increase in PAT in FY 2022-23 by INR 4,587.47 Lakhs
e) Inventory turnover ratio	Cost of goods sold	Average inventory	11.53	8.78	31%	Ratio increased due to increase in COGS for F.Y 2022-23 to INR 1,20,625.97 Lakhs vis-à-vis INR 93,069.69 for F.Y 2021-22 as the turnover of the current year increase to INR 1,79,074 Lakhs vis-a-vis INR 1,33,478 Lakhs of FY 2021-22.

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Change	Remark
f) Trade receivable turnover ratio	Net Credit sale= Gross credit sale - sale return	Average trade receivable	3.94	3.21	22%	
g) Trade payable turnover ratio	Net Credit sale= Gross credit sale - sale return	Average trade receivable	2.07	1.98	5%	
h) Net capital turnover ratio	Net Credit sale= Gross credit sale - sale return	Average trade receivable	3.36	3.07	9%	
i) Net profit ratio	Net profit	Net sales = Total sales - sales return	5.27%	3.63%	45%	Increase due to increase in PAT of INR 9,433.16 Lakhs Vis-à-vis INR 4,845.69 lakhs in the financial year 2021-22
j) Return on capital employed	Earning before interest & tax	Capital employed = Tangible net worth + total debt - deferred tax liability	12.26%	7.03%	74%	Increase in the ratio is due to increase in PAT in FY 2022-23 INR 9,433.16 Lakhs Vis-à-vis INR 4,845.69 lakhs in the year 2021-22
k) Return on investments	Income generated from investment fund	Average investment in treasury investments	-	0.01	-100%	There is no income generated from sale of investment in FY 2022-23 vis-a-vis INR 0.19 Lakhs in the year 2021-22.

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 has balance with the below mentioned companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956:

₹ in lakhs

Name of the struck off company	Nature of transaction with struck off company	Balance as at March 31, 2023	Balance as at March 31, 2022	Relationship with the struck off company
NLCS Communications Private Limited	Receiving of services	-	(2.55)	Advance to subcontractor
Vanshika Glass And Kitchen Technologies Private Limited	Purchase of material	-	0.65	Material vendor
Aramco Engineerig Private Limited	Receiving of services	(1.91)	-	Advance to subcontractor
Mechwing Engineering & Services Private Limited	Receiving of services	(9.02)	(9.02)	Advance to subcontractor
Aft Infrastructure (OPC) Private Limited	Receiving of services	10.90	10.90	Subcontracting vendor

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Name of the struck off company	Nature of transaction with struck off company	Balance as at March 31, 2023	Balance as at March 31, 2022	Relationship with the struck off company
Viva Concrete Technologies Private Limited	Receiving of services	(0.73)	(0.73)	Advance to subcontractor
Nmic Interior Private Limited	Receiving of services	-	0.69	Subcontracting vendor
Super Gypsum Private Limited	Receiving of services	0.01	(2.68)	Subcontracting vendor
Avk Castings Private Limited	Purchase of material	12.29	110.37	Material vendor
Amritvarsha Constructions Private Limited	Receiving of services	7.53	7.53	Subcontracting vendor
Royal Palazzo Private Limited	Receiving of services	-	0.14	Subcontracting vendor
Ambakkudy Builders Private Limited	Receiving of services	0.07	0.07	Subcontracting vendor
Hitek Air Engineers Private Limited	Purchase of material	-	0.03	Material vendor
Hanumat Multi Services Private Limited	Receiving of services	(1.68)	(1.68)	Advance to subcontractor
Kohinoor Investigation Services Private Limited	Receiving of services	9.64	10.14	Subcontracting vendor
Amritvarsha Infraprojects Private Limited	Receiving of services	0.12	0.12	Subcontracting vendor
Bralic Infrastructure Private Limited	Receiving of services	(6.82)	(6.82)	Advance to subcontractor
Other Entities	Subscription to equity shares	3.98	2.99	Equity shareholder

Details of other struck off entities holding equity shares in the company is as below:

₹ in lakhs

Name of the struck off company	Number of shares held	Paid up value as at March 31, 2023 (INR in Lakhs)	Paid up value as at March 31, 2022 (INR in Lakhs)
Pragya Mercantile Pvt Ltd	15,000	1.50	1.50
Salasar Securities Pvt Ltd	14,815	1.48	1.48
Kaveri Impex Private Limited	10,000	1.00	-
Madhva Textile Processors Private Limited	15	0.00	0.00
Arihant Capital Markets Ltd	-	-	0.00
Total	**39,830**	**3.98**	**2.99**

(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

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

(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:

(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 did not have 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).

(viii) 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 During the year, the Company has changed the method of measuring progress i.e. from output method to input method as specified in Ind-AS 115 – 'Revenue from Contract with Customers' consequent to change in the circumstances including change in the nature of contracts secured by the Company during recent years. Management believes that input method, a method widely used by most other engineering and construction companies, would be more reliable and relevant in measuring the progress of the projects and therefore also be more accurate on a comparative basis in measuring the Company's performance in transferring control of goods and services promised to the customers until completion of the contracts. Pursuant to the impact of this change in method, the Company had restated the comparative financial statements for the year ended March 31, 2022, in accordance with the requirements of Ind-AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors'. Retained earnings (other equity) as at April 01, 2021 within the statement of changes in equity has also been restated to adjust the impact of such adjustments relating to prior years.

Impact on Statement of Profit and Loss: Increase/ (decrease)

₹ in lakhs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations	851.75	504.07
Profit before tax	851.75	504.07
Tax Expenses	214.37	126.86
Profit for the period	637.38	377.21
Basic earning per share	0.94	0.56
Diluted earning per share	0.90	0.56

Notes to the Financial Statements FOR THE YEAR ENDED MARCH 31, 2023

Impact on Balance Sheet:

Increase/ (decrease) in INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Unbilled work-in-progress (Other current financial assets)	851.75	504.07	(1,539.65)
Retained earnings (Under equities)	637.38	377.21	(1,152.15)
Current tax	214.37	-	-
Deferred tax assets	-	-	387.50
Deferred tax liabilities	-	126.86	-

51 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 26, 2023

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

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 subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2023, 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 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 subsidiaries, 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, 2023, 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:

1) Note 54 of the accompanying consolidated Ind AS financial statements which is in relation to the change in accounting policy of measuring the progress towards satisfaction of performance obligation for revenue recognition from output method to input method. Consequent to aforementioned change in accounting policy by the Holding Company, the Group has re-stated the comparative financial figures as at April 01, 2021 and for the year ended March 31, 2022 included in the consolidated Ind AS financial statements, in accordance with the requirements of Ind AS 8 – 'Accounting Policies, Changes in Accounting Estimates and Errors'.

2) Note 12(d) of the accompanying consolidated Ind AS financial statements in respect of the Group's trade receivables, other exposures and contract asset with long time outstanding amount of INR 6,809 Lakhs as on the balance sheet date. The Group has taken legal course against those parties, including enforcement of available security, to recover those assets. The outcome of such legal action is not ascertainable at present. The Group's management is confident of its recoverability and hence no provision has been made against the same in the books of accounts.

   Our conclusion is not modified in respect of the above matters.

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, 2023. 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 of contract revenue and margin (as described in Note 36 of the consolidated Ind AS financial statements)	
The Group enters into Engineering Procurement and Construction (EPC) contracts, which are complex in nature and span over a number of reporting periods. The accounting standard requires an entity to select a single measurement method for the relevant performance obligation which depicts the entity's performance in transferring goods or services. In case of onerous contract, present obligations are recognised and measured as provisions. During the current year, the Group has reassessed its method of measuring progress i.e. from output method to input method as specified in Ind AS 115- 'Revenue from Contract with Customers' consequent to change in the circumstances including change in the nature of contracts secured by the Group during recent years. Accordingly, the Group recognises revenue and the resultant 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. Pursuant to the impact of this change in method, the Company has restated the financial figures for the year ended March 31, 2022 and restated figures as at April 01, 2021 have also been provided. We identified contract accounting as a key audit matter because the estimation of total revenue and total cost to complete the contract is inherently subjective, complex and require significant judgment. The same may get subsequently changed due to change in prevailing circumstances, assumptions, contract variations, etc., and could result in significant variance in the revenue and profit or loss from contract for the reporting period.	**Our procedures included the following:** • Evaluated the appropriateness of the Group's change in revenue recognition policy, including the change in method of measuring progress; • Evaluated the design and implementation of key internal controls over the contract revenue and cost estimation process through the combination of procedures involving inquiry, observations, reperformance and inspection of evidence; • Verified the management's computation of impact of change in measure of progress and its consequential impact on the financial statements including restatement of earlier periods; • Assessed compliance of the Group's policies in respect of revenue recognition with the applicable accounting standards; • Selected a sample of contracts to test, using a risk-based criteria's which included individual contracts with: - significant revenue recognised during the year; - significant accrued value of work done balances held at the year-end; or - low profit margins/no profit margins' • Obtained an understanding of Group's process for analysing long term contracts, the risk associated with the contract and any key judgments; • Verified underlying documents such as original contract, and its amendments, key contract terms and milestones, etc. for verifying the estimation of contract revenue and costs and/or any change in such estimation; • Evaluated the outcome of previous estimates by comparing the actual cost for the year to the forecasted costs for that year; • Considered the adequacy of disclosures made in note 36 to the Group's consolidated Ind AS financial statements in respect of these judgments and estimates.

Recoverability of trade receivables and contract assets (as described in Note 36 of the consolidated Ind AS financial statements)	
Trade receivables and contract assets amounting to INR 44,431.10 lakhs and INR 92,383.91 lakhs respectively, represents approximately 52.14% of the total assets of the Company as at March 31, 2023. During the year, the Company has written off INR 6,624.03 lakhs out of Trade receivables and INR 3,013.59 lakhs as allowance for expected credit loss. 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. 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, reading 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.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Ind AS consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Ind AS consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management for the Consolidated 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 their respective companies 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 their respective companies 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 their respective companies.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2023 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 two subsidiaries whose financial statements include total assets of INR 2,735.95 lakhs as at March 31, 2023, and total revenues of INR 782.86 lakhs and net cash inflows of INR 840.38 lakhs for the year ended on that date. These financial statement and other financial information have been audited by other auditors, 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 profit of INR 49.60 lakhs for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of three associates and four 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 subsidiaries, 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 subsidiaries, joint ventures and joint operations and associates, is based solely on the reports of such other auditors.

Our opinion above on the consolidated 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 and the financial statements and other financial information certified by the Management.

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, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, associate companies and joint ventures companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in "Annexure 1" a statement on the matters specified in paragraph 3(xxi) 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 subsidiaries, 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 financial statements;

   (d) In our opinion, the aforesaid consolidated 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, 2023 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's companies, its associates and joint ventures, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures, 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 subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid/ provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V of 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 subsidiaries, 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 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, 2023;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and joint ventures, incorporated in India during the year ended March 31, 2023.

iv. a) The respective managements of the Holding Company and its subsidiaries, associates 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 subsidiaries, associates 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 subsidiaries, associates and joint ventures to or in any other person or entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, associates 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 subsidiaries, associates 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 subsidiaries, associates 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 subsidiaries, associates and joint ventures from any person or entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associates 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 subsidiaries, associates 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.

v. No dividend has been declared or paid during the year by the Holding Company, its subsidiaries, associates and joint venture companies, incorporated in India and hence, no comment is required on compliance of Section 123 of the Companies Act, 2013.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 01, 2023 and hence reporting under this clause is not applicable.

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

per Jayesh Gandhi
Partner
Membership Number: 037924
UDIN: 23037924BGXUAE4574
Place of Signature: Mumbai
Date: May 26, 2023

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(vii)(a)
4	Capacit'e Infraprojects Limited	L45400MH2012PLC234318	Holding Company	3(xiii)
5	TCC Construction Private Limited	U45202MH2018PTC314429	Associate	3(vii)(a)

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

per Jayesh Gandhi
Partner
Membership Number: 037924
UDIN: 23037924BGXUAE4574
Place of Signature: Mumbai
Date: May 26, 2023

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, 2023, 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, 2023, 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 Matter

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 the two subsidiaries, two associates and four 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: 23037924BGXUAE4574
Place of Signature: Mumbai
Date: May 26, 2023

Consolidated Balance Sheet AS AT MARCH 31, 2023

₹ in lakhs

Particulars	Notes	As at March 31, 2023	As at March 31, 2022 ^	As at March 31, 2021^
A - Assets				
1) Non-current assets				
Property, plant and equipment	4	64,785.95	67,922.27	65,085.69
Capital work-in-progress	4	608.01	1,366.08	587.83
Investment properties	5B	724.79	737.72	750.67
Intangible assets	5	54.16	77.80	101.82
Right-of-use assets	5A	340.21	632.40	504.21
Intangible assets under development	5	38.62	38.62	11.74
Investment in associates and joint ventures	6	92.87	35.02	108.86
Financial assets				
Investment	6A	8.50	8.50	8.50
Trade receivables	12	9,664.39	7,086.24	8,147.76
Other financial assets	8	2,088.74	2,312.28	10,741.78
Non current tax assets (net)	10	2,510.78	3,183.34	2,219.36
Other non-current assets	9	7,687.06	9,392.95	11,966.07
Total non-current assets		88,604.08	**92,793.22**	**100,234.29**
2) Current assets				
Inventories	11	9,854.69	11,153.96	10,044.86
Financial assets				
Investments	6	-	25.89	32.44
Trade receivables	12	34,766.71	39,468.89	28,578.34
Cash and cash equivalents	13	4,706.53	2,211.30	983.65
Bank balances other than cash and cash equivalents	14	12,749.74	16,176.82	14,638.60
Loans	7	-	1,300.00	1,300.00
Other financial assets	8	95,813.68	63,292.80	54,784.92
Other current assets	9	15,885.34	11,710.20	12,419.51
Total current assets		**173,776.69**	**145,339.86**	**122,782.32**
Total-Assets		**262,380.77**	**238,133.08**	**223,016.61**
B - Equity and Liabilities				
1) Equity				
Equity share capital	15A	6,789.15	6,789.15	6,789.15
Other equity	15B	100,555.50	89,728.25	84,925.95
Total equity attributable to owners of the parent		**107,344.65**	**96,517.40**	**91,715.10**
Non-Controlling Interest		0.56	-	-
Total equity		**107,345.21**	**96,517.40**	**91,715.10**
2) Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	11,162.49	13,736.60	8,233.79
Lease liability	16A	165.24	443.21	294.50
Other financial liabilities	18	4,413.88	3,589.41	2,820.92
Provisions	19	181.45	316.34	214.82
Deferred tax liabilities (net)	21	5,290.91	3,248.37	3,082.42
Other non-current liabilities	22	13,172.58	18,961.87	25,985.84
Total non-current liabilities		**34,386.55**	**40,295.80**	**40,632.29**
Current liabilities				
Financial liabilities				
Borrowings	16	25,441.96	19,092.91	20,393.32
Lease liability	16A	219.62	244.03	220.96
Trade payables	17			
- Total outstanding dues of micro enterprises and small enterprises		2,709.90	2,080.97	953.02
- Total outstanding dues of trade payables other than micro enterprises and small enterprises		60,654.12	50,818.83	41,306.64
Other financial liabilities	18	5,902.10	4,627.23	3,017.63
Provisions	19	463.98	244.90	219.26
Current tax liabilities (net)	20	2,058.73	1,258.49	1,251.53
Other current liabilities	22	23,198.60	22,952.52	23,306.86
Total current liabilities		**120,649.01**	**101,319.88**	**90,669.22**
Total liabilities		**155,035.56**	**141,615.68**	**131,301.51**
Total Equity and Liabilities		**262,380.77**	**238,133.08**	**223,016.61**
Summary of significant accounting policies	3			

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

^ Restated (refer Note 54)

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

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

Place: Mumbai
Date: May 26, 2023

Consolidated Statement of Profit & Loss FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Particulars	Notes	As at March 31, 2023	As at March 31, 2022 ^
Income			
Revenue from operations	23	179,858.70	133,982.81
Other income	24	951.86	1,313.59
Total income		**180,810.56**	**135,296.40**
Expenses			
Cost of material consumed	25	66,830.14	55,488.86
Construction expenses	26	54,507.52	37,580.83
Employee benefit expense	27	12,763.84	10,889.09
Finance costs	28	8,942.64	6,697.82
Depreciation and amortisation expenses	29	13,599.63	9,881.31
Other expenses	30	10,621.05	8,170.58
Total expenses		**167,264.82**	**128,708.49**
Profit before tax and share of profit/(loss) of Joint Ventures and Associates		**13,545.74**	**6,587.91**
Share of (loss)/ profit of Joint ventures		47.77	(26.17)
Share of profit/ (loss) of Associates		1.83	(47.95)
Profit before tax		**13,595.34**	**6,513.79**
Current tax	31	3,220.31	1,581.05
Deferred tax	31	845.35	157.01
Total tax expense		**4,065.66**	**1,738.06**
Profit after tax		**9,529.68**	**4,775.73**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains on defined benefit plans		77.73	35.51
Income tax effect		(19.56)	(8.94)
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		58.17	26.57
Total comprehensive income for the period/year		**9,587.84**	**4,802.30**
Profit for the year			
- Owners of the Group		9,529.12	4,775.73
- Non-controlling interest		0.56	-
Other comprehensive income for the year			
- Owners of the Group		58.17	26.57
- Non-controlling interest		-	-
Total comprehensive income for the year			
- Owners of the Group		9,587.28	4,802.30
- Non-controlling interest		0.56	-
Earning per share (of INR 10/- each)	33		
- Basic (INR)		14.04	7.03
- Diluted (INR)		13.97	7.03
Summary of significant accounting policies	3		

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

^ Restated (refer Note 54)

As per our report of even date attached
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

per Jayesh Gandhi
Partner
Membership No : 37924

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Place: Mumbai
Date: May 26, 2023

Consolidated Cash Flow Statement FOR THE YEAR ENDED MARCH 31, 2023

INR Lakhs

	Particulars	As at March 31, 2023	As at March 31, 2022 ^
A	Cash flow from operating activities		
	Profit before tax	13,595.34	6,513.79
	Adjustment to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expenses	13,599.63	9,881.31
	Finance costs	8,942.64	6,697.82
	Share of profit/(loss) of Joint Ventures and Associates	(49.60)	74.12
	Impairment allowance for trade receivables	4,844.12	3,171.83
	(Profit)/Loss on sale of property, plant and equipment	534.51	(225.80)
	Fair value gain on financial instruments at fair value through profit and loss	-	(0.19)
	Profit on Sale of Investment in group companies	(37.30)	-
	Sundry balance written back	(3.37)	7.41
	Finance income	(717.62)	(1,032.11)
	Operating profit before working capital changes	**40,708.35**	**25,088.18**
	Movement in working capital :		
	(Increase)/Decrease in Trade Receivables (Including bills discounted with banks)	(1,641.76)	(15,638.33)
	(Increase)/Decrease in Loans	1,300.00	-
	(Increase)/Decrease in Inventories	1,299.27	(1,109.12)
	(Increase)/Decrease in other assets and other financial assets	(34,481.00)	(6,974.34)
	Increase/(Decrease) in Trade payables	9,111.90	10,568.48
	Increase/ (Decrease) in Other Financial Liabilities	-	-
	Increase/(Decrease) in Provisions	161.92	162.67
	Increase/(Decrease) in Other liabilities and other financial liabilities	(4,576.34)	(6,110.01)
	Cash generated from operations	**11,882.34**	**5,987.53**
	Direct taxes paid (net of refunds)	(1,747.51)	(2,538.07)
	Net cash flow from operating activities (A)	**10,134.83**	**3,449.46**
B	Cash flow from investing activities		
	Purchase of property, plant and equipment including CWIP and capital advances	(9,237.26)	(10,213.65)
	Proceeds from sale of property, plant and equipment	375.57	225.80
	Proceeds from sale of current investments	62.00	32.63
	Maturity proceeds from bank deposits (having original maturity of more than three months), net	3,389.91	6,708.59
	Interest received	1,130.62	953.53
	Net cash used in investing activities (B)	(4,279.16)	(2,293.10)

Consolidated Cash Flow Statement FOR THE YEAR ENDED MARCH 31, 2023

INR Lakhs

	Particulars	As at March 31, 2023	As at March 31, 2022 ^
C	Cash flow from financing activities		
	Repayment of long-term borrowings	(4,736.69)	(4,374.27)
	Proceeds from long-term borrowings	5,332.50	10,030.26
	Payment of principal portion of lease liability	(163.81)	(159.63)
	Proceeds/ (Repayments) from short-term borrowings, net	3,251.15	806.22
	Money received against share warrants	1,240.00	-
	Interest paid including interest on lease liability	(8,283.59)	(6,231.29)
	Net cash from/(used in) financing activities (C)	**(3,360.44)**	**71.29**
	Net increase/(decrease) in cash and cash equivalents (A + B + C)	**2,495.23**	**1,227.65**
	Cash and cash equivalents at the beginning of the year	2,211.30	983.65
	Cash and cash equivalents at end of the period (note 13)	**4,706.53**	**2,211.30**
	Components of cash and cash equivalents		
	Cash in hand	27.15	14.15
	Foreign currency on hand	3.32	3.08
	Balances with banks:		
	- on current accounts	2,736.57	1,255.33
	- Term Deposits with less than 3 months of original maturity	1,939.49	938.74
	Total cash & cash equivalents (note 13)	**4,706.53**	**2,211.30**

The accompanying notes are an integral part of the financial statements.
^ Restated (refer Note 54)

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 26, 2023

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

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED MARCH 31, 2023

A) Equity Share Capital

For the year ended 31 March, 2023

	Nos.	INR Lakhs
At April 01, 2022	67,891,497	6,789.15
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance	67,891,497	6,789.15
Issue of share capital	-	-
At March 31, 2023	**67,891,497**	**6,789.15**

For the year ended March 31, 2022

	Nos.	INR Lakhs
At April 01, 2021	67,891,497	6,789.15
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance	67,891,497	6,789.15
Issue of share capital	-	-
At March 31, 2022	**67,891,497**	**6,789.15**

As at April 01, 2021

	Nos.	INR Lakhs
At April 01, 2020	67,891,497	6,789.15
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance	67,891,497	6,789.15
Issue of share capital	-	-
At April 01, 2021	**67,891,497**	**6,789.15**

B) Other equity

	Reserves and surplus		Items of other comprehensive income	Money received against share warrant	Total equity attributable to equity holders of the parent	Non-controlling interest	Total equity
	Securities premium	Retained earnings					
At April 01, 2022	45,713.14	43,850.01	165.10	-	89,728.25	-	89,728.25
Profit for the year	-	9,529.12	-	-	9,529.12	0.56	9,529.68
Other comprehensive income / (losses)	-	-	58.17	-	58.17	-	58.17
Share Warrant				1,240.00	1,240.00	-	1,240.00
At March 31, 2023	**45,713.14**	**53,379.13**	**223.27**	**1,240.00**	**100,555.54**	**0.56**	**100,556.06**
At April 01, 2021	45,713.14	39,074.28	138.53	-	84,925.95	-	84,925.95
Profit for the year	-	4,775.73	-	-	4,775.73	-	4,775.73
Other comprehensive income / (losses)	-	-	26.57	-	26.57	-	26.57

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED MARCH 31, 2023

	Reserves and surplus		Items of other comprehensive income	Money received against share warrant	Total equity attributable to equity holders of the parent	Non-controlling interest	Total equity
	Securities premium	Retained earnings					
Share Warrant	-	-	-	-	-	-	-
Restatement of revenue	-	-	-	-	-	-	-
At March 31, 2022	**45,713.14**	**43,850.01**	**165.10**	**-**	**89,728.25**	**-**	**89,728.25**
At April 01, 2020	45,713.14	40,088.11	-	-	85,801.25	-	85,801.25
Profit for the year	-	138.32	-	-	138.32	-	138.32
Other comprehensive income for the year	-	-	138.53	-	138.53		138.53
Restatement due change in method of measuring progress	-	(1,152.15)	-	-	(1,152.15)	-	(1,152.15)
At March 31, 2021	**45,713.14**	**39,074.28**	**138.53**	**-**	**84,925.95**	**-**	**84,925.95**

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 26, 2023

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

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

1 Corporate information

The consolidated financial statements comprise financial statements of Capacit'e Infraprojects Limited (""the Group"") for the year ended March 31, 2023. The Group is a Group domiciled in India and 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 605-607, Shrikant Chambers, 6th Floor, Phase I, Adjacent to R K Studios, Sion-Trombay Road, Mumbai- 400 071.

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 financial statements were authorised for issue in accordance with a resolution of directors on May 26, 2023.

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 consolidated financial statement.

2.2 Basis of preparation and presentation

These financial statements have been prepared in Indian Rupee ("INR") which is the functional currency of the Group. 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 Group 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 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:

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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 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 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:

During the current period, the holding Group changed the method of measuring progress i.e. from output method to input method as specified in Ind-AS 115 – 'Revenue from Contract with Customers'. Refer note no. 54.

Contract revenue is recognized over time by measuring progress on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

Input method takes into accounts entity's efforts i.e. costs incurred on an accrual basis (for example direct material, direct labour, subcontractors cost, resources consumed, allocations of costs related directly to contract activities, if those depict the transfer of control to the customer, costs which can be identified and directly contributing towards the progress / completion of the goods/services) relative to total estimated costs to determine the extent of progress towards completion of the contract. Costs so incurred in connection with the work performed for satisfaction of performance obligation are recognised as an expense.

Costs that are not related to the contract, or that do not contribute towards satisfying a performance obligation, are not included in measuring progress. "

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

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

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

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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

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

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

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

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

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

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

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract cost incurred that are likely to be recoverable.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognises the entire estimated loss in the period the loss becomes known.

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

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

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 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,

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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,if any 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 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.

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

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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.

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

* 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.

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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 Group.

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 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 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.

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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) 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 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.

d) 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 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

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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 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 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."

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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.

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

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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.

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 Group's financial statements are presented in INR, which is also the Group's functional currency.

In preparing the 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.

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:

- 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

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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 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 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

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.

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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 Group'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 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.

q 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.

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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 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 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 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

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

(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 Group recognises a liability to make cash distributions to equity holders of the 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.

(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 Group's Board of Directors. The 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.

v Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity share holders of the 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 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

FOR THE YEAR ENDED MARCH 31, 2023

4 Property plant and equipment

	Plant and Machinery	Furniture & Fixtures	Office Equipment	Site Establishment	Computers	Formwork	Vehicles	Building	Total
Cost or Valuation									
At April 01, 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 Mar 31, 2022	**13,319.12**	**1,152.00**	**108.62**	**42,037.41**	**621.62**	**49,371.82**	**486.85**	**838.79**	**107,936.23**
Additions	949.01	-	4.48	2,751.29	77.20	6,197.59	26.24	1,594.35	11,600.16
Disposals	(321.88)	-	-	(1,507.74)	-	-	-	(481.35)	(2,310.97)
At March 31, 2023	**13,946.25**	**1,152.00**	**113.10**	**43,280.96**	**698.82**	**55,569.41**	**513.09**	**1,951.79**	**117,225.42**
Depreciation									
At April 01, 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 period	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 Mar 31, 2022	**3,415.30**	**368.74**	**77.51**	**20,647.34**	**393.20**	**14,930.09**	**179.90**	**1.88**	**40,013.96**
Depreciation charge for the period	700.07	92.17	9.64	7,845.55	88.99	4,513.60	49.85	23.59	13,341.24
Disposals	(130.69)	-	-	(763.45)	-	-	-	(3.81)	(915.73)
At March 31, 2023	**3,984.68**	**460.91**	**87.15**	**27,729.44**	**482.19**	**19,443.69**	**229.75**	**21.66**	**52,439.47**
Net Book Value									
At March 31, 2023	**9,961.57**	**691.09**	**25.95**	**15,551.52**	**216.63**	**36,125.72**	**283.34**	**1,930.13**	**64,785.95**
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 April 01, 2021	**10,480.82**	**828.01**	**40.57**	**21,434.33**	**253.09**	**31,137.69**	**332.47**	**578.81**	**65,085.70**

Net Book Value	Mar 31, 2023 INR Lakhs	Mar 31, 2022 INR Lakhs	Mar 31, 2021 INR Lakhs
Property, plant and equipment	64,785.95	67,922.27	65,085.69
Capital Work-in-Progress	673.01	1,366.08	587.83
Impairment of CWIP	(65.00)	-	-
	608.01	**1366.08**	**587.83**
Intangible assets under development	38.62	38.62	11.74

Note 1:

Charge on the Assets:

Please refer note 16 for the details of charge created on assets.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

Note 2:

Capital work in progress (CWIP) ageing schedule

At March 31, 2023

INR Lakhs

	Amount in CWIP for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
Project in progress	476.37	-	-	73.56	549.92
Projects temporarily suspended	-	-	-	58.09	58.09
Total	**476.37**	**-**	**-**	**131.65**	**608.01**

At March 31, 2022

INR Lakhs

	Amount in CWIP for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
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 01 April, 2021

INR Lakhs

	Amount in CWIP for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
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 as at March 31, 2023

INR Lakhs

	Amount in CWIP to be completed in				
CWIP	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
Ajinkya Hughes Projects	-	-	-	58.09	58.09
	-	-	-	58.09	58.09

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

5 Intangible Assets

INR Lakhs

	Computer Software	Total
Cost or Valuation		
At April 01, 2021	**418.43**	**418.43**
Additions	15.81	15.81
Disposals	-	-
At Mar 31, 2022	**434.24**	**434.24**
Additions	7.90	7.90
Disposals	-	-
At March 31, 2023	**442.14**	**442.14**
Depreciation		
At April 01, 2021	**316.62**	**316.62**
Depreciation charge for the period	39.82	39.82
Disposals	-	-
At March 31, 2022	**356.44**	**356.44**
Depreciation charge for the period	31.54	31.54
Disposals	-	-
	387.98	**387.98**

Net Book Value

INR Lakhs

At March 31, 2023	**54.16**	**54.16**
At March 31, 2022	**77.80**	**77.80**
At April 01, 2021	**101.81**	**101.81**

Intangible assets under development

INR Lakhs

Particular	March 31, 2023	March 31, 2022	April 01, 2021
Opening balance	38.62	11.74	-
Additions during the year	-	31.50	11.74
Capitalised during the year	-	4.62	-
Closing balance	**38.62**	**38.62**	**11.74**

Intangible assets under development ageing schedule

At March 31, 2023

INR Lakhs

	Amount in Intangible assets under development for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
Project in progress	-	31.50	7.12	-	38.62
Projects temporarily suspended	-	-	-	-	-
Total	**-**	**31.50**	**7.12**	**-**	**38.62**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

At March 31, 2022

INR Lakhs

	Amount in Intangible assets under development for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
Project in progress	31.50	7.12	-	-	38.62
Projects temporarily suspended	-	-	-	-	-
Total	**31.50**	**7.12**	**-**	**-**	**38.62**

At March 31, 2021

INR Lakhs

	Amount in Intangible assets under development for a period of				
	Less than1 year	1-2 years	2 - 3 years	More than 3 years	Total
Project in progress	11.74	-	-	-	11.74
Projects temporarily suspended	-	-	-	-	-
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:

Right to use Asset

INR Lakhs

At April 01, 2021	**1,113.31**
Additions during the year	328.67
Disposals	-
At March 31, 2022	**1,441.98**
Additions during the year	185.53
Disposals	(989.22)
At March 31, 2023	**638.29**
Depreciation	
At April 01, 2021	**609.10**
Additions during the year	200.48
Disposals	-
At March 31, 2022	**809.58**
Additions during the year	231.71
Disposals	(743.21)
At March 31, 2023	**298.08**
Net Book Value	
At Mar 31, 2023	340.21
At March 31, 2022	632.40
At April 01, 2021	504.21

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

5B Investment property

Cost or Valuation	INR Lakhs
At April 01, 2021	**812.44**
Additions	-
Disposals	-
At April 01, 2022	**812.44**
Additions	-
Disposals	-
At March 31, 2023	**812.44**
Depreciation	
At April 01, 2021	**61.77**
Additions	12.94
Disposals	-
At April 01, 2022	**74.72**
Additions	12.93
Disposals	-
At March 31, 2023	**87.65**
Net Book Value	
At March 31, 2023	**724.79**
At Mar 31, 2022	**737.72**
At Mar 31, 2021	**750.67**

Information regarding income and expenditure of Investment properties

INR Lakhs

	As at March 31, 2023	As at March 31, 2022
Rental income derived from investment properties	23.67	23.68
Direct operating expenses (including repairs and maintenance)	-	-
Profit arising from investment properties before depreciation and indirect expenses	23.67	23.68
Less :- Depreciation	12.93	12.94
Profit arising from investment properties before indirect expenses	**10.74**	**10.74**

Fair Valuation of Investment properties

INR Lakhs

	March 31, 2023
Investment properties	**Fair Value**
Retails properties	726.38

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

6. Financial Assets: Investments

INR Lakhs

Non Current Investments		As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
I.	**Investment in equity shares carried at cost, fully paid up (unquoted)**			
a)	**In Associates in India**			
	- TCC Constructions Pvt Ltd	14.44	11.37	16.01
	- TPL - CIL Construction LLP	19.19	**19.85**	**24.26**
	- Captech Technologies Private Limited [NIL (March 31, 2022: 1,24,000 ; April 01, 2021: 1,24,000) shares of INR 10 each]	-	-	64.78
		33.63	**31.22**	**105.06**
b)	**In Joint Ventures**			
i)	PPSL JV	3.80		-
ii)	CEPL- CIL Joint Venture	35.25	-	-
iii)	CIL- SIPL JV	20.19	-	-
		59.24	**3.80**	**3.80**
Total		**92.87**	**35.02**	**108.86**

INR Lakhs

Current Investments		As at March 31, 2023	As at March 31, 2022	As at April 01, 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 ((March 31, 2021: NIL ; April 01, 2021: 2,50,000]"	-	-	32.44
a)	**In Associates in India**			
-	Captech Technologies Private Limited [NIL (March 31, 2022: 1,24,000 ; April 01, 2021: 1,24,000) shares of INR 10 each]	-	25.89	-
		-	**25.89**	**32.44**
Details:				
Aggregate value of unquoted investments		-	25.89	32.44
Market value of unquoted investments		-	25.89	32.44

6A. Financial Assets: Investments

INR Lakhs

		As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
d)	**In others**			
-	Janakalyan Sahakari Bank [85,000 (March 31, 2022: 85,000 ; April 01, 2021: 85,000) shares of INR 10 each]	8.50	8.50	8.50
Total		**8.50**	**8.50**	**8.50**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Details:			
Aggregate value of unquoted investments	8.50	8.50	8.50
Market value of unquoted investments	8.50	8.50	8.50

7. Loans

INR Lakhs

Current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
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

8. Other financial assets

INR Lakhs

Non-current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Deposits with banks (under lien)	1,006.75	1,584.55	338.28
Margin money deposits with banks	614.97	-	9,493.08
Interest accrued but not due on deposits with banks	61.90	364.19	327.71
Security deposits - others	405.12	363.54	382.71
Unbilled revenue	-	-	200.00
Total	2,088.74	2,312.28	10,741.78

INR Lakhs

Current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Interest accrued but not due on deposits with banks	208.86	319.57	277.47
Contract assets	70,532.40	44,718.01	44,235.75
Submitted bills due for certification	21,851.51	12,545.50	8,135.83
Security deposits - others	1,214.27	1,152.95	1,138.18
Security deposits - unsecured	277.88	524.51	444.51
Other receivables	1,482.24	4,032.26	553.18
Receivable from related party	246.52	-	-
Total	95,813.68	63,292.80	54,784.92

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.

Contract assets to the extent of INR 1,305.69 Lakhs is secured by guarantee provided by the promoters (Refer Note No. 12(c))

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

9. Other assets

INR Lakhs

Non-current		As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
i.	**Capital advances**	5,911.39	6,704.94	8,753.76
	Less:- Impairment of capital advance	(235.00)	-	-
		5,676.39	**6,704.94**	**8,753.76**
ii.	**Advances other than Capital Advances**			
	Balances with government authorities	1,439.60	2,052.91	1,997.43
	Prepaid expenses	571.07	523.62	1,064.93
	Advances to others (refer to note 30)	-	111.48	149.95
	Total	7,687.06	**9,392.95**	**11,966.07**
	Other Current Assets			
i.	**Advances other than Capital Advances**			
	Advances to employees	215.09	151.22	114.76
	Advances to related parties	2,409.51	73.96	110.48
	Advances to others	8,997.43	9,423.98	9,530.50
ii.	**Others**			
	Balances with government authorities	2,808.72	903.48	959.60
	Prepaid expenses	1,454.59	1,157.56	1,704.17
	Total	15,885.34	**11,710.20**	**12,419.51**

10. Non current tax assets (net)

INR Lakhs

Non-current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Advance tax	2,510.78	3,183.34	2,219.36
[net of provision for taxation INR 15,603.44 Lakhs (March 31, 2022 INR 10,222.06 Lakhs ; April 01, 2021 INR 10,954.07 Lakhs)			
Total	**2,510.78**	**3,183.34**	**2,219.36**

11. Inventories

INR Lakhs

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Raw materials (at lower of cost and net realisable value)	9,854.69	11,153.96	10,044.86
Total	**9,854.69**	**11,153.96**	**10,044.86**

12. Trade receivables

INR Lakhs

Non-current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Trade receivables (retention)- unsecured	9,664.39	7,086.24	8,147.76
Total	**9,664.39**	**7,086.24**	**8,147.76**
Current			
Trade receivables including retention balance-unsecured	37,282.44	46,178.63	33,198.79

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

INR Lakhs

Non-current	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
[including retention of INR 7,875.47 lakhs (March 31, 2022 INR 9,538.96 lakhs ; April 01, 2021 INR 6,169.58 lakhs)]			
Receivable from related party (Refer note (a) below)	497.86	537.16	354.62
	37,780.30	46,715.79	33,553.41
Less: Impairment allowances (allowance for bad and doubtful debts)	(3,013.59)	(7,246.90)	(4,975.07)
Total	**34,766.71**	**39,468.89**	**28,578.34**
Break-up of Receivables:			
Secured - Considered good (Refer note c below)	1,440.84	1,144.54	37,610.95
Unsecured - Considered good	42,931.94	47,833.89	4,090.22
- Trade Receivables which have significant increase in credit risk	3,071.91	4,823.60	-
- Credit Impaired	-	-	-
	47,444.69	**53,802.03**	**41,701.17**
Impairment allowances (allowed for bad and doubtful debts)			
Secured - Considered good	-	-	-
Unsecured - Considered good	2,483.04	3,136.75	3,053.58
- Trade Receivables which have significant increase in credit risk	830.55	4,110.15	1,921.49
Total	**44,131.10**	**46,555.13**	**36,726.10**

Notes:

a) a) No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person.

b) Receivable from related party (refer note 40)

c) During the year, the promoter group has entered into an agreement with Group by which any shortfall in the realisation by 30th September, against the outstanding carrying value of INR 2,746.53 Lakhs from certain parties shall made good to the Group. The said carrying value includes trade receivable of INR 1,440.84 lakhs and contract asset of INR 1305.69 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.

d) Against certain trade receivables, other exposures and contracts assets amounting to INR 6,809 Lakhs as on March 31, 2023, the Group has entered into agreements with respective clients and got allotment letter in its favour. The Group has taken legal steps to register the flats in its name to secure its commercial interest. The management is confident of its recoverability in due course and hence no provision has been made against the same in the books of accounts.

e) Trade receivables are non-interest bearing and are generally on terms of 45 to 90 days.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

Trade receivable ageing schedule

INR Lakhs

At March 31, 2023	Outstanding for the following period from due date of payment					
	Less than 6 months	**6 months - 1 year**	**1-2 years**	**2- 3 years**	**More than 3 Years**	**Total**
Undisputed trade receivable - considered good	27,863.21	3,164.85	4,302.74	5,074.35	3,967.63	44,372.78
Undisputed trade receivable - significant increase in credit risk	-	-	-	293.34	2,778.57	3,071.91
Undisputed trade receivable - credit impaired	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-
Disputed trade receivable - significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-
Total	27,863.21	3,164.85	4,302.74	5,367.69	6,746.20	47,444.69
At March 31, 2022						
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**
As at April 01, 2021						
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**

Unbilled revenue and submitted bills due for certification of INR 92,383.91 lakhs as on March 31,2023 (March 31, 2022: INR 57,263.51 lakhs ; April 01, 2021 52,371.57 lakhs) has been shown as contract assets in Note 8 -Other financial assets.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

Note (a) : Receivable from related party

INR Lakhs

Particulars	As at March 31, 2023	Ast at March 31, 2022	As at April 01, 2021
TPL- CIL Construction LLP	-	289.01	69.27
Capacite Viraj AOP	239.01	234.01	244.16
Capacite E Governance	258.85	-	-
Captech Technologies Private Limited	-	8.63	28.69
Capacite Engineering Private Ltd	-	12.50	12.50
Total	**497.86**	**544.15**	**354.62**

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

INR Lakhs

Particulars	As at March 31, 2023	Ast at March 31, 2022	As at April 01, 2021
Balance at the beginning of the year	7,246.90	4,975.07	2,845.97
Allowance during the year trade receivables	4,544.12	3,172.74	2,129.10
Bad Debt written of against trade receivables	(6,624.03)	(900.91)	-
Bad Debt written of against other receivables\ loan	(2,153.40)	-	-
Total	**3,013.59**	**7,246.90**	**4,975.07**

13 Cash and cash equivalents

INR Lakhs

Particulars	As at March 31, 2023	Ast at March 31, 2022	As at April 01, 2021
Balances with banks:			
-On current accounts	2,736.57	1,255.33	832.98
-Deposits with original maturity of less than three months	1,939.49	938.74	128.69
Cash on hand	27.15	14.15	19.04
Foreign currency on hand	3.32	3.08	2.94
Total	**4,706.53**	**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, 2023

14 Bank balances other than cash and cash equivalents

INR Lakhs

Particulars	As at March 31, 2023	Ast at March 31, 2022	As at April 01, 2021
Deposits kept as margin money	1,882.12	7,019.38	3,907.70
Deposits having maturity more than three months but less than 12 months	10,867.62	9,157.44	10,730.90
Total	**12,749.74**	**16,176.82**	**14,638.60**

15A Equity share capital

INR Lakhs

Particulars	As at March 31, 2023	Ast at March 31, 2022	As at April 01, 2021
(a) Authorised capital			
8,00,00,000 (March 31,2022: 8,00,00,000 ; April 01, 2021: 8,00,00,000) Equity shares of INR 10/- each	8,000.00	8,000.00	8,000.00
Total	**8,000.00**	**8,000.00**	**8,000.00**
(b) Issued, subscribed and paid up			
6,78,91,497 Equity shares of INR 10/- each fully paid (March 31,2022: 6,78,91,497 ; April 01, 2021: 6,78,91,497)	6,789.15	6,789.15	6,789.15
Total issued, subscribed and fully paid-up share capital	**6,789.15**	**6,789.15**	**6,789.15**

(c) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period:

INR Lakhs

Particulars	March 31, 2023		March 31, 2022		April 01, 2021	
	Nos.	INR Lakhs	Nos.	INR Lakhs	Nos.	INR Lakhs
At the beginning of the year	67,891,497	6,789.15	67,891,497	6,789.15	67,891,497	6,789.15
Shares issued during the year	-	-	-	-	-	-
Outstanding at the end of the year	**67,891,497**	**6,789.15**	**67,891,497**	**6,789.15**	**67,891,497**	**6,789.15**

(d) Terms/Rights attached to equity shares

The Group has only one class of equity shares having a par value of INR 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 INR.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

(e) Details of Shareholders holding more than 5% Equity Shares

INR Lakhs

Name of shareholders	March 31, 2023		March 31, 2022		April 01, 2021	
	Number of shares held	% of Holding	Number of shares held	% of Holding	Number of shares held	% of Holding
Rohit Ramnath Katyal	5,000,000	7.36%	5,000,000	7.36%	6,304,144	9.29%
Rahul Ramnath Katyal	7,380,953	10.87%	7,380,953	10.87%	8,380,953	12.34%
Katyal Merchandise Private Limited	9,072,994	13.36%	9,072,994	13.36%	9,072,994	13.36%
New Quest Asia Investments II Limited	4,921,080	7.25%	6,617,254	9.75%	6,617,254	9.75%
Paragon Partners Growth Fund	6,036,303	8.89%	6,036,303	8.89%	6,036,303	8.89%
ICICI Prudential Multicap Fund	-	-	1,242,371	1.83%	4,205,451	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.

(f) Disclosure of Shareholding of Promoters

INR Lakhs

Name of shareholders	March 31, 2023		March 31, 2022		% change during the year
	Number of shares held	% of Holding	Number of shares held	% of Holding	
Promoters					
Rohit Ramnath Katyal	5,000,000	7.36%	5,000,000	7.36%	0.00%
Rahul Ramnath Katyal	7,380,953	10.87%	7,380,953	10.87%	0.00%
Subir Malhotra	2,525,439	3.72%	2,525,439	3.72%	0.00%
Promoter group					0.00%
Katyal Merchandise Private Limited	9,072,994	13.36%	9,072,994	13.36%	0.00%
Sakshi Rohit Katyal	2,256,093	3.32%	2,256,093	3.32%	0.00%
Nidhi Rahul Katyal	70	-	70	-	0.00%
Monita Malhotra	1,616	-	-	-	0.01%
Total	**26,237,165**	**38.65%**	**26,235,549**	**38.64%**	**0.01%**

Disclosure of Shareholding of Promoters

Name of shareholders	March 31, 2022		March 31, 2021		% change during the year
	Number of shares held	% of Holding	Number of shares held	% of Holding	
Promoters					
Rohit Ramnath Katyal	5,000,000	7.36%	6,304,144	9.29%	-1.93%
Rahul Ramnath Katyal	7,380,953	10.87%	8,380,953	12.34%	-1.47%
Subir Malhotra	2,525,439	3.72%	2,525,439	3.72%	-
Promoter group					
Katyal Merchandise Private Limited	9,072,994	13.36%	9,072,994	13.36%	-
Sakshi Rohit Katyal	2,256,093	3.32%	2,256,093	3.32%	-
Nidhi Rahul Katyal	70	-	70	-	-
Rahul Ramnath Katyal (Acting As A Partner Of M/S Asutosh Trade Links)	-	-	1,189,153	1.75%	-1.75%
Total	**26,235,549**	**38.64%**	**29,728,846**	**43.79%**	**-5.15%**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

15B Other equity

(a) Securities premium

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Balance as per the last financial statements	45,713.14	45,713.14	45,713.14
Total	**45,713.14**	**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.

(b) Retained earnings

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Balance as per last financial statement	44,015.11	39,212.81	40,088.11
Add: Profit for the year	9,529.68	4,775.73	153.22
Add: Other comprehensive income for the year	58.17	26.57	138.53
Less: Restatement due change in method of measuring progress	-	-	(1,152.15)
Dividend	-	-	(14.90)
Dividend distribution tax	-	-	-
Total	**53,602.92**	**44,015.11**	39,212.81

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.

(c) Money received against share warrants*

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening balance	-	-	-
Add:- Subscription amount towards share warrants	1,240.00	-	-
Closing balance	1,240.00	-	-
Grand Total	**100,556.06**	**89,728.25**	**84,925.95**

* During the year, the Group has issued and allotted 31,00,000 fully convertible warrants, each convertible into one equity share, on preferential basis at an issue price of INR 160/- each, as determined in accordance with the Regulation 28(1) of the SEBI (LODR) Regulations, 2018, after receipt of subscription money of 25% of the issue price (i.e. INR 40/- per warrant). Balance 75% of the issue price (i.e. INR 120/- per warrant) shall be payable , at the time of exercising the option to apply for fully paid–up equity share of INR 10/- each of the Group. Balance 75% money towards such remaining warrants is yet to be received. The last day for exercising the option for conversion/exchange the warrants into/for equity shares of the Group is December 08, 2023, being 18 months from the date of allotment of warrants i.e. June 09, 2022.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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 Group has earned till date

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

iii) Debenture redemption reserve (DRR)

No DRR is required as per notification by MCA issued on August 16, 2019 as the debentures are issued by listed company on private placement basis.

16. Borrowings

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Non-Current borrowings			
Debentures			
12.5% Redeemable Non-Convertible Debentures (NCDs) (Secured)	5,432.38	7,551.01	-
	5,432.38	**7,551.01**	**-**
Term loans			
From banks (secured)	3,282.00	5,007.15	7,208.08
From financial institutions (secured)	2,448.11	1,178.44	1,025.71
	5,730.11	6,185.59	8,233.79
Total	**11,162.49**	**13,736.60**	**8,233.79**

Secured Redeemable Non-Convertible Debentures (NCDs)	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Gross amount	Carrying value	Gross amount	Carrying value	Gross amount	Carrying value
12.5% Redeemable Non-Convertible Debentures	10,000.00	9718.09	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 Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

(b) Current borrowings

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Working capital loan (secured)			
From bank	15,818.46	9,570.39	13,723.53
Debentures			
12.5% Redeemable Non-Convertible Debentures (NCDs) (Secured)	4,285.71	-	-
Bills discounted with bank (secured)	-	-	2,259.82
Current maturity of long term loans (secured)			
From banks	2,390.28	3,522.73	3,518.49
From financial institutions	894.77	878.13	729.19
From related parties			
Intercorporate deposits from related party (unsecured)	21.16	105.62	104.25
Loans from directors (unsecured) (refer note 'd' below)	2,031.58	5,016.04	58.04
Total	**25,441.96**	**19,092.91**	**20,393.32**
Less: Amount clubbed under "other current liabilities"	-	-	-
Net current borrowings	**25,441.96**	**19,092.91**	**20,393.32**
Aggregate secured borrowings	34,551.71	27,707.85	28,464.82
Aggregate unsecured borrowings	2,052.74	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 INR 0.15 Lakhs to INR 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 INR 14,195.76 Lakhs (March 31, 2022 INR 12,858.20 Lakhs ; April 01, 2021 INR 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 holding 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 INR 0.12 Lakhs to INR 14 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 INR 15,297.43 Lakhs (March 31, 2022 INR 4,183.29 Lakhs ; April 01, 2021 INR 3,801.00 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 holding company.

c) Working capital loan from banks is secured against Mortgage of fixed assets, and Hypothecation of 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 +2.65% to 3.650% presently, in range of 9.90% to 12.10% p.a.

d) Loan from directors are unsecured and subject to the guarantees provided by Mr. Rohit katyal and Rahul Katyal in respect of outstanding trade receivable as covered in note no. 12. The loan will get adjusted to the extent of short fall in recovery of the specified trade receivable before September 30, 2023.

e) Guarantee provided by Mr. Rohit Katyal & Mr. Rahul Katyal (Promoters) to the Company for the recovery of Trade receivables, on or before February 27, 2023, to the extent of INR 3,281 lakhs.

f) Guarantee mentioned in e) above has been extended to September 30, 2023, for the remaining outstanding Trade receivables of INR 2,746.53 lakhs.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

g. Statements/returns submitted to the banks vis-a-vis balances as per books of accounts:

Quarter ending	Value as per books of accounts	Value as per quarterly return/statement	Discrepancy
Inventory			
June 30, 2022	5,817.98	5,191.24	626.74
September 30, 2022	5,063.70	5,037.55	26.15
December 31, 2022	5,349.32	4,715.04	634.28
March 31, 2023	7,685.93	3,794.51	3,891.42

Quarter ending	Value as per books of accounts	Value as per quarterly return/statement	Discrepancy
Trade receivable + WIP (Unbilled revenue)			
June 30, 2022	81,972.51	69,596.52	12,375.99
September 30, 2022	108,879.28	87,378.76	21,500.52
December 31, 2022	79,471.73	89,799.90	(10,328.17)
March 31, 2023	82,958.13	97,011.25	(14,053.12)

Quarter ending	Value as per books of accounts	Value as per quarterly return/statement	Discrepancy
Trade payable			
June 30, 2022	31,902.69	24,559.21	7,343.48
September 30, 2022	29,964.46	28,398.51	1,565.95
December 31, 2022	24,382.66	25,752.58	(1,369.92)
March 31, 2023	27,685.53	20,320.01	7,365.52

The overall difference between the statements/returns submitted to the banks is INR 231.23 Lakhs (derived after deducting the trade payables from the total of inventory, WIP (unbilled revenue) and trade receivable) is higher than the books of account. 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 **Liabilities from Financing Activities**

Particulars	Non Current borrowings (included interest accrued)	Current borrowings	Total
April 01, 2021	**12,536.39**	**16,127.11**	**28,663.50**
Cash flow (As per statement of cash flow) (net)	5,655.99	(1,608.14)	4,047.85
Interest expense	6,696.41	-	6,696.41
Interest paid	(6,229.88)	-	(6,229.88)
Balance as on March 31,2022	**18,658.91**	**14,518.97**	**33,177.88**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

Particulars	Non Current borrowings (included interest accrued)	Current borrowings	Total
Cash flow (As per statement of cash flow) (net)	595.81	3,179.65	3,775.46
Interest expense	8,942.64		8,942.64
Interest paid	(8,950.66)		(8,950.66)
Balance as on March 31,2023	**19,246.70**	**17,698.62**	**36,945.32**

16A Lease Liability

INR Lakhs

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
(a) Non-current lease liability	165.24	443.21	294.50
(b) Current lease liability	219.62	244.03	220.96
Total	**384.86**	**687.24**	**515.46**

INR Lakhs

(c) Reconciliation between total future minimum lease payments and their present value:	As at March 31, 2023	As at March 31, 2022
Total future minimum lease payments	456.74	843.84
Less: Future liability on interest account	71.88	156.60
Present value of future minimum lease payments	384.86	687.24

INR Lakhs

(d) Year wise future minimum lease rental payments:	As at March 31, 2023		As at March 31, 2022	
	Total Minimum Lease payments	Present value of lease payments	Total Minimum Lease payments	Present value of lease payments
Particulars				
(i) Not later than one year	261.96	219.62	320.12	244.47
(ii) Later than one year but not later than five years	194.78	165.24	524.16	442.77
Total	**456.74**	**384.86**	**844.28**	**687.24**

INR Lakhs

(e) Lease liability movement	Year ended March 31, 2023	Year ended March 31, 2022
Opening balance	687.24	515.46
Less: Lease liability terminated during the year	314.25	-
Add: Contract assets during the year	182.06	328.22
Add: Finance cost charged during the year	52.81	90.50
Less: Lease payments during the year	223.00	246.94
Closing balance	**384.86**	**687.24**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

17 Trade payables

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Total outstanding dues of micro enterprises and small enterprises (Refer note 35)	2,709.90	2,080.97	953.02
	2,709.90	**2,080.97**	**953.02**
Total outstanding dues of creditors other than micro enterprises and small enterprises.			
Acceptances (refer note (a) below)	15,122.43	12,932.29	9,766.26
Trade payables (refer note (b) below)	45,404.47	37,805.71	30,686.80
Trade payables to related parties	127.22	80.83	853.58
Sub Total	60,654.12	**50,818.83**	**41,306.64**
Total	63,364.02	**52,899.80**	**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).

Trade payable ageing schedule

At March 31, 2023

INR Lakhs

	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2- 3 years	More than 3 Years	Total
Total outstanding due to MSME	2,462.73	188.47	18.97	39.73	2,709.90
Total outstanding due to creditors other than MSME	55,994.28	2,307.95	1,050.32	1,301.58	60,654.12
Disputed dues MSME	-	-	-	-	-
Disputed dues others than MSME	-	-	-	-	-
Total	58,457.01	2,496.42	**1,069.29**	**1,341.31**	**63,364.02**

At March 31, 2022

INR Lakhs

	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2- 3 years	More than 3 Years	Total
Total outstanding due to MSME	1,928.46	47.90	83.31	21.30	2,080.47
Total outstanding due to creditors other than MSME	46,671.08	1,680.24	1,684.18	783.34	50,818.83
Disputed dues MSME	-	-	-	-	-
Disputed dues others than MSME	-	-	-	-	-
Total	**48,599.54**	**1,728.14**	**1,767.49**	**804.64**	**52,899.80**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

At March 31, 2021

INR Lakhs

	Outstanding for following periods from due date of payment				
	Less than 1 Year	**1-2 years**	**2- 3 years**	**More than 3 Years**	**Total**
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

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Non-current			
Other financial liabilities at amortized cost			
Retention money payable to others	4,134.97	3,382.94	2,756.00
Retention money payable to related parties	278.91	206.47	64.92
Total	4,413.88	**3,589.41**	**2,820.92**
Current			
Group's share in joint ventures and associates	51.56	43.89	17.71
Other financial liabilities at amortized cost			
Interest accrued but not due on borrowings	-	51.62	51.62
Interest accrued on loans from directors	157.67	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	203.07	2.74	1,844.70
Creditors for capital goods/services	3,565.94	2,793.20	-
Employee dues	1,923.86	1,421.38	1,098.88
Total	5,902.10	**4,627.23**	**3,017.63**

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.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

19 Provisions

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Non-current			
Provision for employee benefits			
Gratuity	181.45	316.34	214.82
Total	**181.45**	**316.34**	**214.82**
Current			
Provision for employee benefits			
Gratuity	366.07	137.64	107.72
Leave encashment	66.63	75.98	75.53
Other provisions	31.28	31.28	36.01
Total	**463.98**	**244.90**	**219.26**

Movement in provisions	Workman Compensation	Employee Term Insurance Payable	Total
At April 01, 2022	31.28	-	31.28
Addition:	-	-	-
Utilised :	-	-	-
At March 31, 2023	**31.28**	**-**	**31.28**

	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**

20 Current tax liabilities (net)

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Provision for tax	2,058.73	1,258.49	1,251.53
[net of advance tax INR 2,100.73 Lakhs (March 31, 2022 INR 2,306.71 Lakhs ; April 01, 2022 INR 2,305.83 Lakhs)])]			
Total	**2,058.73**	**1,258.49**	**1,251.53**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

21 Deferred tax liabilities (net)

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Deferred tax liabilities (net)	5,290.91	3,248.37	3,082.42
Total	**5,290.91**	**3,248.37**	**3,082.42**

INR Lakhs

Particulars	As at March 31, 2022	Recognised in Profit or Loss	As at April 01, 2023
Deferred tax assets in relation to:			
Provisions	2,229.14	(1,316.11)	913.03
Retention	1,130.33	(1,130.33)	-
Impact of deferred tax for rent paid on INDAS 116	-	52.61	52.61
Impact of deferred tax due to restatement (refer note 54)	260.63	(260.63)	-
	3,620.10	**(2,654.46)**	**965.64**
Deferred tax liabilities in relation to:			
Property, plant and equipment	4,820.30	176.94	4,997.24
Retention money	1,500.78	(261.03)	1,239.75
Impact on adoption of Ind AS 115	203.17	(203.17)	-
Bad Debt	226.80	(226.80)	-
Others	117.42	(97.86)	19.56
Total	**6,868.47**	**(611.92)**	**6,256.55**
Net deferred tax liabilities	**3,248.37**	**2,042.54**	**5,290.91**

INR Lakhs

Particulars	As at March 31, 2021	Recognised in Profit or Loss	As at April 01, 2022
Deferred tax assets in relation to:			
Provisions	1,388.50	840.64	2,229.14
Others	1,085.31	45.02	1,130.33
Impact of deferred tax due to restatement	387.50	(126.87)	260.63
	2,861.31	**758.79**	**3,620.10**
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	**3,082.42**	**165.95**	**3,248.37**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

Particulars	As at March 31, 2020	Recognised in Profit or Loss	As at April 01, 2021
Deferred tax assets in relation to:			
Provisions	853.06	535.44	1,388.50
Retention	-	1,085.31	1,085.31
Impact of change in method of revenue recognition (Refer note 49)	-	387.50	387.50
	853.06	**2,008.25**	**2,861.31**
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**	**(786.51)**	**3,082.42**

22 Other liabilities

INR Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Non-current			
Contract liabilities			
Advance from customers	12,126.88	18,961.87	25,985.84
Advance from customers- related party/others	1,045.70	-	-
Deferred income	-	-	-
Total	13,172.58	**18,961.87**	**25,985.84**
Current			
Contract liabilities			
Advance from customers	17,880.81	20,810.13	22,835.06
Statutory dues	5,317.79	2,142.39	471.80
Total	23,198.60	**22,952.52**	**23,306.86**

23 Revenue from operations

₹ in lakhs

	March 31, 2023	March 31, 2022
Contract revenue	178,350.86	132,672.46
Other operating income		
- Scrap sales	1,507.84	1,310.35
Total	179,858.70	**133,982.81**

Notes to the Consolidated Financial Statements

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24 Other income

₹ in lakhs

	March 31, 2023	March 31, 2022
(a) Interest income		
- Interest on fixed deposits	716.44	823.94
- Other interest income	1.18	208.17
(b) Other non operating income		
- Equipment hire charges	-	4.50
- Service charge income	-	5.04
- Net Gain on sale of investments	36.70	0.19
- Miscellaneous income	197.54	271.75
Total	**951.86**	**1,313.59**
Net gains (losses) on sale of Investments		
Investments classified at FVTPL	36.70	0.19
Total Net gains (losses) on fair value changes	**36.70**	**0.19**

25 Cost of material consumed

₹ in lakhs

	March 31, 2023	March 31, 2022
Opening stock	11,153.96	10,044.86
Add: Purchase of material (other than capitalisation)	65,530.87	56,597.96
Less: Closing stock	(9,854.69)	(11,153.96)
Total	**66,830.14**	**55,488.86**

26 Construction expenses

₹ in lakhs

	March 31, 2023	March 31, 2022
Labour/Subcontractor charges	45,836.67	30,189.75
Electricity expenses (Site)	1,571.49	1,107.29
Equipment hire charges	2,169.49	1,135.71
Formwork hire charges	1,079.83	1,479.68
Other construction expenses	3,850.04	3,668.40
Total	**54,507.52**	**37,580.83**

27 Employee benefit expenses

₹ in lakhs

	March 31, 2023	March 31, 2022
Salaries, wages and bonus	11,995.47	10,256.22
Contributions to provident and other funds	316.20	261.12
Staff welfare expenses	452.17	371.75
Total	**12,763.84**	**10,889.09**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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 said code is made effective prospectively from May 03, 2023. The Company is assessing the impact, if any, of the Code.

28 Finance cost

₹ in lakhs

	March 31, 2023	March 31, 2022
Interest on borrowings*	4,808.76	2,745.27
Other interest expenses	2,138.13	1,583.70
Bank guarantee commission	1,289.72	1,771.08
Bank charges	706.03	597.77
Total	**8,942.64**	**6,697.82**

* Includes INR 357.09 Lakhs as Interest on financial liabilities measured at amortised cost (March 31, 2022 INR 1.01 Lakhs)

29 Depreciation and amortisation expenses

₹ in lakhs

	March 31, 2023	March 31, 2022
Depreciation of property, plant and equipment	13,323.46	9,628.07
Depreciation of Investment properties	12.92	12.94
Amortization of intangible assets	31.54	39.82
Depreciation of right-of-use assets	231.71	200.48
Total	**13,599.63**	**9,881.31**

30 Other expenses

₹ in lakhs

	March 31, 2023	March 31, 2022
Electricity charges	20.16	40.67
Rent	565.63	555.55
Rates and taxes	493.98	332.61
Insurance expenses	215.74	232.47
Repairs and maintenance of :		
Plant and machinery	286.20	215.53
CSR expenditure (refer note below)	111.80	170.42
Commission and brokerage	33.66	22.87
Legal and professional charges	1,341.66	1,301.42
Payment to auditor (refer note below)	78.55	69.05
Advertising and sales promotion	85.32	63.25
Travelling expenses	297.79	328.60
Vehicle hiring charges	303.99	296.89

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

	March 31, 2023	March 31, 2022
Communication costs	53.95	40.66
Impairment allowance for trade receivables	4,844.12	3,172.74
Donation	2.00	-
Office expenses	991.50	958.53
Printing and stationery	127.35	104.85
Loss on sale of site establishment	577.78	-
Miscellaneous expenses	189.87	264.47
Total	**10,621.05**	**8,170.58**

Corporate Social Responsibility expenditure

As per section 135 of the Companies Act, 2013 read with relevant rules thereon, the Group was required to spend INR 111.80 Lakhs (March 31, 2022 INR 170.42 Lakhs) on Corporate Social Responsibility (CSR) activities during FY 2022-23. Against it, the Group has adjusted the said amount out of excess amount spent in earlier year brought forward INR 148.53 Lakhs (March 31, 2021 INR 318.95 lakh) towards CSR activities. The balance excess CSR amount of INR 36.73 lakhs (March 31, 2022 INR 148.53 lakhs) has been carried forward to next year.

Amount spent during the year ended March 31, 2023 on:	Excess brought forward	Amount adjusted during the year	Amount carried forward
(i) Construction of any asset	-	-	-
(ii) Purposes other than (i) above	148.53	(36.73)	111.80
Total	**148.53**	**(36.73)**	**111.80**

Amount spent during the year ended March 31, 2022 on:	Excess brought forward	Amount adjusted during the year	Amount carried forward
(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

Payment to auditors (excluding GST)	As at March 31, 2023	As at March 31, 2022
As auditors:		
Statutory audit fees	44.05	38.50
Limited review of standalone and consolidated financial statement on quarterly basis	31.50	27.50
For Other services including certification works	3.00	3.00
	78.55	**69.00**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

31 Income tax

The income tax expense for the year can be reconciled to the accounting profit as follows :

₹ in lakhs

Particulars	March 31, 2023	March 31, 2022
Profit before tax	13,545.74	6,587.91
Less:- Adjustment for sale of investment in group	35.10	-
Income tax expense calculated at 25.168% (applicable tax rate)	3,400.36	1,658.04
Add/(Less) tax effect on account of :		
Deferred tax charged on account of timing difference	359.97	-
Other impacts		
Tax effect of permanent non deductible expenses	305.33	81.03
Income tax expense recognised in statement of profit and loss	**4,065.66**	**1,739.06**

32 During the year, following expenses are capitalised to site establishment (also refer note 3(d) on PPE)

₹ in lakhs

Particulars	March 31, 2023	March 31, 2022
Raw material consumed	1,637.06	4,147.53
Labour/Subcontractor charges	573.23	797.57
Equipment's hire charges	35.91	-
Others	-	11.77
Total	**2,246.20**	**4,956.87**

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 after adjusting for estimated interest saving in future due to conversion of share warrants 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 share warrants into Equity shares.

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

₹ in lakhs

Particulars		As at March 31, 2023	As at March 31, 2022
Basic earnings per share			
Profit after tax as per accounts (INR In Lakhs)	A	9,529.12	4,775.73
Weighted average number of equity shares outstanding	B	67,891,497	67,891,497
Basic EPS	A/B	**14.04**	**7.03**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Particulars		As at March 31, 2023	As at March 31, 2022
Diluted earnings per share			
Profit after tax as per accounts (INR In Lakhs)		9,529.12	4,775.73
Estimated interest savings on conversion of share warrants		385.55	-
Total profit attributable to equity holders	C	9,914.67	4,775.73
Weighted average number of equity shares outstanding for basic EPS		67,891,497	67,891,497
Effect of dilution: Share warrant		3,100,000	-
Weighted average number of equity shares outstanding for diluted EPS	D	70,991,497	67,891,497
Diluted EPS	C/D	**13.97**	**7.03**
Face Value per share (INR)		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".

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, 2023 amounts to INR 2,709.90 Lakhs (March 31, 2022: INR 2042.31 Lakhs).

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
-Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2,709.90	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	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	167.25	167.25	60.62

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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, 2023	As at March 31, 2022	As at April 01, 2021
Contract assets			
Unbilled revenue			
Non-current	-	-	200
Current	92,383.91	57,263.51	52,371.57
Total Contract assets	**92,383.91**	**57,263.51**	**52,571.57**
Contract liabilities			
Advance from customers			
Non-current	13,172.58	18,961.87	25,985.84
Current	17,880.81	20,803.14	22,828.07
Total Contract liabilities	**31,053.39**	**39,765.01**	**48,813.91**
Receivables			
Trade receivables (gross)			
Non current	9,664.39	7,086.24	8,147.74
Current	37,780.30	46,715.79	33,447.49
Less : Impairment allowance	(3,013.59)	(7,246.90)	(4,975.07)
Net receivables	**44,431.10**	**46,555.13**	**36,620.16**
Total	**105,761.62**	**64,053.63**	**40,377.82**

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, 2023

Significant changes in the contract assets and the contract liabilities balances during the year are as follows:

₹ in lakhs

Particulars	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Opening balance (unbilled revenue)	57,263.51	39,765.01	52,571.57	48,813.92	53,910.60	40,636.81
Less : Revenue recognized during the year from balance at the beginning of the year, (net)	36,645.87	16,231.50	37,565.73	33,315.33	52,419.38	8,963.55
Add : Advance received during the year not recognized as revenue	-	1,063.78	-	24,266.43	-	-
Add : Revenue recognized during the year apart from above, (net)	71,766.27	6,456.10	42,257.67	-	51,080.35	17,140.65
Closing balance	**92,383.91**	**31,053.39**	**57,263.51**	**39,765.02**	**52,571.57**	**48,813.91**

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, 2023 is INR 994,024.82 (March 31, 2022 is INR 9,77,069.92 Lakhs), out of which, majority is expected to be recognised as revenue within 36 months. The performance obligation to be recognized includes the work order/letter of intent of INR 28,292.57 for which no revenue has been booked in the current year as the projects are under hold.

37 Contingent liabilities

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Corporate guarantee given on behalf of subsidiary company	-	-	1,095.00
Bank guarantees	8,014.67	9,013.09	11,900.95
Provident fund	106.29	106.29	-
GST demand	4,000.17	4,000.17	-
Maharashtra Value Added Tax	178.53	178.53	178.53
Income tax demand	-	3,115.04	-
Total	**12,299.65**	**16,413.12**	**13,174.48**

a) 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. There is no further development in this matter

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

38 Capital and other commitments

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Estimated amount of contracts remaining to be executed on capital account (net of advances)			
-on Property, plant & equipment	669.16	88.77	410.70
Total	**669.16**	**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, 2023	For the year Ended March 31, 2022
Current service cost	94.80	111.90
Net interest cost	41.56	33.68
Net benefit expenses	**136.36**	**145.58**

(ii) Re-measurement (gain)/loss recognised in other comprehensive income

₹ in lakhs

Particulars	For the Year Ended March 31, 2023	For the year Ended March 31, 2022
Actuarial loss / (gain) due to defined benefit obligation ('DBO') and assumption changes	(41.85)	(11.92)
Return on plan assets less / greater than discount rate	5.39	8.32
Actuarial losses / (gains) due recognised in OCI	(36.46)	(3.60)

(iii) The amounts recognised in the Balance Sheet are as follows:

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Defined benefit obligation	569.54	589.51	534.93
Fair value of plan assets	22.02	135.53	212.40
Net Plan Liability/ (Asset)	**547.52**	**453.98**	**322.53**

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(iv) The changes in the present value of defined benefit obligation for Gratuity are as follows:

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Opening defined benefit obligation	589.51	534.93	564.42
Add: Service cost	94.80	111.90	113.37
Add: Interest cost	41.56	33.68	29.07
Add: Contributions by employer	-	-	-
Add/(Less): Actuarial losses/(gains)			
- arising from changes in financial assumptions	-	-	-
Add: Actuarial Gain on obligation arising from changes in experience adjustments	(41.85)	(11.92)	(38.24)
Less: Benefit paid	(114.48)	(79.08)	(133.69)
Closing defined benefit obligation	**569.54**	**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, 2023	As at March 31, 2022	As at April 01, 2021
Opening balance of the fair value of plan assets	135.53	212.40	343.86
Add: Interest income on plan assets	6.36	10.54	17.41
Add/(Less): Actuarial gains/(losses)	(5.39)	(8.32)	(15.18)
Less: Benefits paid	(114.48)	(79.09)	(133.69)
Closing balance of the fair value of plan assets	22.02	135.53	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, 2023	For the year Ended March 31, 2022
Investments with insurer managed funds	**100%**	**100%**

(vii) Principal actuarial assumptions as at Balance Sheet date:

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Discount rate	7.50%	6.00%	6.00%
Expected return on assets	6.50%	6.50%	6.50%
Employee attrition rate	35.00%	35.00%	24.00%
Salary growth rate	5.00%	5.00%	5.00%

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

(viii) Sensitivity Analysis

₹ in lakhs

Particulars	For the Year Ended March 31, 2023			
Assumptions	Discount rate		Future Salary Increase	
Sensitivity Analysis	1% Increase	1% Decrease	1% Increase	1% Decrease
	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
Impact on define benefit obligation	-13.48	14.16	14.37	-13.94

₹ 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
	INR Lakhs	INR Lakhs	INR Lakhs	INR Lakhs
Impact on define benefit obligation	**-19.41**	**20.77**	**20.77**	**-19.76**

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, 2023	For the year Ended March 31, 2022
Within 1 year	229.63	137.63
Between 1 - 2 years	61.46	58.76
Between 2 - 3 years	68.05	60.48
Between 3 - 4 years	52.55	72.05
Between 4 - 5 years	41.92	61.13
Beyond 5 years	275.09	310.02

The average duration of the defined benefit plan obligation at the end of the reporting period is 16 years (March 31, 2022 - 15 years).

The contribution expected to be made by the Company during the next financial year 153.95 Lakhs (2021-22: INR 169.20 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 INR 66.62 lakh (year ended 31 March 2022: INR 75.98 lakh) is presented as current. The Group has provided INR 31.92 lakh (31 March 2022: INR 32.37 lakh) for Compensated absences in the Statement of Profit and Loss.

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40. Related party transactions

Names of related parties and related party relationship

Joint Venture	PPSL Capacite JV Capacite Viraj AOP CEPL- CIL Joint Venture CIL- SIPL JV
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 (upto 29 September, 2022)
Key Management Personnel	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
Non-Executive Director and Independent director	Farah Nathani Menzies - Independent director Sumeet Nindrajog- Non-Executive Director Siddharth Parekh- Non- Executive Director Arun Karambelkar- - Independent director (Re-appointment as from May 18, 2021) Manjushree Nitin Ghodke- Independent Director
Relatives of Key Management Personnel	Sakshi Katyal - Wife of Mr. Rohit Katyal Monita Malhotra - Wife of Mr. Subir Malhotra

Related Party Transaction (including provisions and accruals)

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2023	As at March 31, 2022
Capacite- E-Governance JV	Subsidiary Company	Sale of properties/rights/Material/ services	789.24	-
Capacite Viraj AOP	Associate	Revenue	-	21.51
		Purchase of Material	-	2.00
CEPL- CIL Joint Venture	Joint Venture	Expenses recovered	251.45	-
		Subcontracting charges	144.63	-
		Security deposit	7.23	-
		Advances given under sale/ purchase of goods and services	403.95	-
CIL- SIPL JV	Joint Venture	Expenses recovered	0.10	-

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2023	As at March 31, 2022
TPL-CIL Construction LLP	Associates	Other income		1,358.63
		Sale of goods or services	4,790.34	-
		Purchase of goods or services	1,010.21	-
Captech Technologies Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Other income	-	17.00
		Legal and professional charges	-	57.25
		Miscellaneous expenses	-	60.96
Capacit'e Engineering Private Limited	Enterprises directly or indirectly owned / significantly influenced by directors/key management personnel or their relatives	Subcontracting charges	2,077.64	1,060.72
		Other construction expenses	-	66.35
		Legal and professional charges	-	298.36
		Architectural Fees	-	395.00
		Purchase of Material	18.86	432.34
		Sale of investments on Captech Technologies Private Limited	62.00	-
		Security deposit	102.37	54.04
Katyal Merchandise Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Interest expense	0.79	15.93
		Interest paid	18.38	-
		Intercorporate deposits repaid	85.72	150.00
		Intercorporate deposits taken	-	150.00
Katyal Ventures Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Rent expenses	0.46	4.41

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2023	As at March 31, 2022
Sakshi Rohit Katyal Jointly with Rohit Ramnath Katyal	Relatives of directors	Money Received Against Share Warrants	620.00	-
Sakshi Katyal	Relatives of Directors	Rent expenses	9.00	7.50
Rohit Katyal	Director and Chief Financial Officer	Loan from director	1 17.19	3,240.00
		Sale of premised	517.00	-
		Loan repaid to director	1,036.50	823.00
		Debt assignment adjusted against loan	1,373.45	-
		Interest on Loan (Gross)	153.24	166.74
		Interest paid/adjusted to director	222.01	-
		Directors Remuneration (refer note below)	204.30	94.20
Rahul Katyal	Managing Director	Directors Remuneration (refer note below)	203.55	97.20
		Principle adjusted	71.70	-
		Loan from director	517.00	3,220.00
		Loan repaid/adjusted to director	1,137.00	679.00
		Interest repaid/adjusted to director	224.87	-
		Money Received Against Share Warrants	620.00	-
		Interest on Loan (Gross)	187.02	161.42
Mrs. Monita Malhotra	Relatives of Directors	Rent expenses	6.74	29.21
Subir Malhotra	Executive Director	Directors Remuneration (refer note below)	86.20	86.20
Varsha Malkani	Company Secretary	Remuneration	19.25	11.76
Manjushree Ghodke	Independent director	Sitting Fees	3.30	4.15
Manjushree Ghodke	Independent director	Commission	3.00	3.00
Arun Karambelkar	Independent director	Sitting Fees	2.75	3.20
Arun Karambelkar	Independent director	Commission	3.00	3.00

Notes to the Consolidated Financial Statements

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₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Transaction	As at March 31, 2023	As at March 31, 2022
Farah Nathani Menzies	Independent director	Sitting Fees	3.30	2.50
Farah Nathani Menzies	Independent director	Commission	3.00	3.00
Saroj Kumar Pati	Chief Executive Officer	Remuneration	-	81.70

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.

Over and above the transactions disclosed above, following transactions have also been entered into with the promoters, which does not have impact on the profit & loss of the company during the year:

a) Guarantee provided by Mr. Rohit Katyal & Mr. Rahul Katyal (Promoters) to the Company for the recovery of Trade receivables, on or before February 27, 2023, to the extent of INR 3,281 lakhs.

b) Guarantee mentioned in a) above has been extended to September 30, 2023, for the remaining outstanding Trade receivables of INR 2,746.53 lakhs

c) Assignment of receivables of INR 1,373.45 lakhs to Mr Rohit Katyal, the consideration of which is settled by way of adjustment from the loan outstanding to Mr. Rohit Katyal as on March 30, 2023.

Compensation of key management personnel of the Company

Particulars	As at March 31, 2023	As at March 31, 2022
Compensation including sitting fees	531.65	389.91
Total	**531.65**	**389.91**

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, 2023	As at March 31, 2022	As at April 01, 2021
PPSL Capacite JV	Joint Venture	Trade payable	6.39	6.39	6.39
Capacite Viraj AOP	Joint Venture	Trade receivables	239.01	234.01	218.93
CEPL- CIL Joint Venture	Joint Venture	Trade receivables	761.78	-	-
		Security Deposit	7.23	-	-
CIL- SIPL JV	Joint Venture	Receivable	0.10	-	
TPL-CIL Construction LLP	Associate	Trade receivables	-	289.01	69.27
		Trade payable	1,045.70		

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Name of Related Party	Relation with related parties	Nature of Balance	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Captech Technologies Private Limited	Associate	Investment	-	60.40	60.40
		Trade payable	26.48	27.23	43.16
Capacit'e Engineering Private Limited	Enterprises Owned by or significantly influenced by key management personnel or their relatives	Trade Payable	-	-	652.59
		Mobilization advance	102.37	-	-
		Trade receivables	1,515.15	53.94	-
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	0.02	0.39	0
Sakshi Katyal	Relatives of Directors	Other Payable	7.43	2.03	0
Rohit Katyal	Director and Chief Financial Officer	Unsecured loan from director	368.86	2,745.70	59.42
Rahul Katyal	Managing Director	Unsecured loan from director	1,818.81	2,567.07	0
Mrs. Monita Malhotra	Relatives of Directors	Trade payable	0.31	6.06	2.99

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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	
			As at March 31, 2023	As at March 31, 2022
CIPL-PPSL-Yongnam Joint Venture Constructions Private Limited	India	Engineering Procurement and Construction	100%	100%
Capacite- E- Governance JV*	India	Engineering Procurement and Construction	96%	NA

* Unincorporated entities - treated as subsidiary

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. The Group has 74% profit/(loss) sharing in CEPL- CIL Joint Venture - JNPT project and 65% profit/(loss) sharing in CEPL-CIL Joint Venture - Gift City project involved in the construction and infrastructure development in India. The Group has 51% profit/(loss) sharing in CIL- SIPL JV involved in the construction and infrastructure development in India.

PPSL Capacite JV , Capacite-Viraj AOP, CEPL- CIL Joint Venture & CIL- SIPL JV are an unincorporated entities. The Group's interest in PPSL Capacite JV, CEPL- CIL Joint Venture & CIL- SIPL 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(ceased to be associate w.e.f. 29 September, 2022).

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 2023:

₹ in lakhs

Name	PPSL Capacite JV		Capacite-Viraj AOP		CEPL- CIL JV	CIL- SIPL JV
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Non-current assets						
Property, plant and equipment	-	-	188.46	188.46	10.24	-
Non-current tax assets (net)	-	-	(0.67)	11.20	25.29	-
Other non-current assets	-	-	-	-	5.25	14.23

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

Name	PPSL Capacite JV		Capacite-Viraj AOP		CEPL- CIL JV	CIL- SIPL JV
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Current assets						
Inventories	-	-	17.64	17.64	-	-
Financial assets	-	-	-	-	1,402.37	-
Trade receivables	-	-	462.17	705.73	13.92	825.56
Cash and cash equivalent	1.30	1.30	0.34	0.69	59.47	-
Loans	-	-	1.18	1.18	-	-
Other financial assets	-	-	370.00	370.00	209.93	-
Current Tax Assets (net)	-	-	-	-	-	-
Other current assets	6.45	6.45	138.50	138.12	167.91	35.91
Total Assets	**7.75**	**7.75**	**1,177.62**	**1,433.02**	**1,894.38**	**875.70**
Equity and Liabilities						
Equity						
Other equity	7.75	7.75	(73.70)	(62.74)	53.39	39.59
Non-current liabilities						
Financial liabilities						
Other financial liabilities	-	-	20.31	20.24	403.95	0.90
Deferred tax liabilities (net)	-	-	-	-	0.14	-
Other non-current liabilities	-	-	371.31	371.31	-	-
Current liabilities						
Financial liabilities						
Trade payables	-	-	679.79	925.04	1,408.83	601.85
Other financial liabilities	-	-	19.33	19.32	28.07	-
Current tax liabilities (net)	-	-	-	-	-	13.32
Other current liabilities	-	-	160.58	159.85	-	220.04
Total equity and liabilities	**7.75**	**7.75**	**1,177.62**	**1,433.02**	**1,894.38**	**875.70**
Proportion of the Group's ownership	49%	49%	70%	70%	74%	51%
Carrying amount of the investment	3.80	3.80	(51.51)	(43.92)	35.25	20.19

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

Summarised statement of profit and loss of Joint Ventures

₹ in lakhs

	PPSL Capacite JV		Capacite-Viraj AOP		CEPL- CIL JV	CIL- SIPL JV
	For the year ended March 31, 2023	For theyear ended March 31, 2022	For the year ended March 31, 2023	For theyear ended March 31, 2022	For the year ended March 31, 2023	For theyear ended March 31, 2022
Contract revenue	-	-	-	-	2,116.09	631.10
Other income	-	-	0.77	49.34	-	-
Cost of raw material consumed	-	-	-	9.31	848.40	328.68
Construction expenses	-	-	7.49	56.07	1,148.73	100.34
Employee benefits expense	-	-	-	15.15	33.01	34.99
Finance costs	-	-	0.13	0.16	0.01	71.15
Depreciation and amortization expenses	-	-	-	-	0.10	-
Other expenses	-	-	4.12	6.08	14.49	43.03
Profit before tax	-	**-**	(10.97)	**(37.43)**	71.35	**52.91**
Tax expenses	-	-	-	-	17.96	13.32
Profit/(Loss) for the year	-	-	(10.97)	**(37.43)**	53.39	**39.59**
Group's share of profit/ (loss) for the year	-	-	(7.68)	**(26.20)**	35.25	**20.20**

The Group had no contingent liabilities or capital commitments relating to its share in PPSL Capacite JV & Capacite-Viraj AOP as at March 31, 2023 and March 31, 2022.

43 Non-controlling interests

Non-controlling interests represent proportionate share held by minority shareholders in the net assets of subsidiaries which are not wholly-owned by the holding Company.

The following table summarises the information relating to each of the subsidiaries that has NCI. The amounts disclosed for each subsidiary are before intra-group eliminations

₹ in lakhs

	CIPL-PPSL-Yongnum Joint venture Constructions Private Limited		CEPL- CIL JV
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023
Balance Sheet			
Non-current assets	-	-	578.46
Current assets	470.49	469.59	1,687.00
Current liabilities	75.48	74.18	2,251.49
Net assets / (liabilities)	395.01	395.41	13.97

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

₹ in lakhs

	CIPL-PPSL-Yongnum Joint venture Constructions Private Limited		CEPL- CIL JV
	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023
Net assets attributable to NCI	-	-	0.56
Total income	-	5.87	782.86
Net Profit / (loss) for the year	(2.15)	4.16	13.97
Cash flow from operating activities	(0.69)	8.58	1,344.56
Cash flow from investing activities	-	5.87	(505.09)
Cash flow from financing activities	1.60	(15.21)	-
Net increase/ (decrease) in cash and cash equivalents	0.90	(0.76)	839.47

44 Statutory Group Information

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, 2023	100%	106,966.99	99%	9,467.70	100%	58.17	99%	9,525.87
Balance as at March 31, 2022	100%	96,237.52	101%	4,845.67	100%	26.57	102%	4,872.24
Subsidiaries(Indian)								
CIPL-PPSL Yongnam Joint Venture Constructions Private Limited								
Balance as at March 31, 2023	0%	395.01	0%	(2.15)	0%	-	0%	(2.15)
Balance as at March 31, 2022	0%	395.42	0%	4.16	0%	-	0%	4.16
Capacite- E- Governance JV								
Balance as at March 31, 2023	0%	13.97	0%	13.97	0%	-	0%	13.97
Joint Ventures (investment as per equity method)								
PPSL Capacite JV								
Balance as at March 31, 2023	0%	3.80	0%	-	0%	-	0%	-
Balance as at March 31, 2022	0%	3.80	0%	-	0%	-	0%	-
Capacite Viraj AOP								
Balance as at March 31, 2023	0%	(51.51)	0%	(7.68)	0%	-	0%	(7.68)
Balance as at March 31, 2022	0%	(43.92)	-1%	(26.17)	0%	-	-1%	(26.17)
CEPL- CIL JV								
Balance as at March 31, 2023	0%	35.25	0%	35.25	0%	-	0%	35.25
CIL- SIPL JV								
Balance as at March 31, 2023	0%	20.19	0%	20.20	0%	-	0%	20.20
Associates (investment as per equity method)								
TCC Construction Private Limited								
Balance as at March 31, 2023	0%	(22.66)	0%	3.08	0%	-	0%	3.08

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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
Balance as at March 31, 2022	0%	(25.73)	0%	(4.64)	0%	-	0%	(4.64)
TPL-CIL Construction LLP								
Balance as at March 31, 2023	0%	(15.81)	0%	(0.66)	0%	-	0%	(0.66)
Balance as at March 31, 2022	0%	(15.19)	0%	(4.41)	0%	-	0%	(4.41)
Captech Technologies Private Limited								
Balance as at March 31, 2023	0%	(0.59)	0%	(0.59)	0%	-	0%	(0.59)
Balance as at March 31, 2022	0%	(34.51)	-1%	(38.89)	0%	-	-1%	(38.89)
Total								
Balance as at March 31, 2023	100%	107,344.65	99%	9,529.12	100%	58.17	99%	9,587.29
Balance as at March 31, 2022	100%	96,517.40	100%	4,775.73	100%	26.57	100%	4,802.30

45 Significant accounting judgements, estimates and assumptions

The preparation of the Groups consolidated 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 Groups 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 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 32 for further disclosures.

iii) Revenue Recognition

The Group recognises revenue and profit/loss on the basis of (Input method) entity's efforts i.e. costs incurred on an accrual basis to the total expected inputs to the satisfaction of that performance obligation. 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.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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.

iii) Cost to complete

For assessing onerous contracts the Group is required to estimate the costs to complete of each contract. 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.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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.

46 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, 2023 , March 31, 2022 & April 01, 2021.

As at March 31, 2023

₹ 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		-	44,431.10	44,431.10	44,431.10
Cash and cash equivalent		-	4,706.53	4,706.53	4,706.53
Bank balances other than cash and cash equivalent		-	12,749.74	12,749.74	12,749.74
Loans		-	-	-	-
Other Financial Assets		-	97,902.42	97,902.42	97,902.42
Total		**8.50**	**159,789.79**	**159,798.29**	**159,798.29**
Financial Liabilities					
Borrowings (including current maturities)		-	36,604.45	36,604.45	36,604.45
Trade payables		-	63,364.02	63,364.02	63,364.02
Other financial liabilities (excluding current maturities)		-	10,700.84	10,700.84	10,700.84
Total		**-**	**110,669.31**	**110,669.31**	**110,669.31**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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		-	65,605.08	65,605.08	65,605.08
Total		**8.50**	**131,848.33**	**131,856.83**	**131,856.83**
Financial Liabilities					
Borrowings (including current maturities)		-	32,829.51	32,829.51	32,829.51
Trade payables		-	52,899.80	52,899.80	52,899.80
Lease liabilities			687.24	687.24	687.24
Other financial liabilities (excluding current maturities)		-	8,216.64	8,216.64	8,216.64
Total		**-**	**94,633.18**	**94,633.19**	**94,633.19**

At April 01, 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		-	65,526.70	65,526.70	65,526.70
Total		**40.94**	**119,175.05**	**119,215.99**	**119,215.99**
Financial Liabilities					
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 (excluding current maturities)		-	5,838.55	5,838.55	5,838.55
Total		**-**	**77,240.77**	**77,240.77**	**77,240.77**

*Excludes Group companies investments INR 92.87 Lakhs (March 31, 2022 INR 60.91 Lakhs) measured at cost. Refer note no. 6.

Fair value of financial assets and financial liabilities measured at amortised cost : The carrying amounts of trade receivables, loans,

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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.

47 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.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows :

₹ in lakhs

Particulars	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
Debt (i)	36,604.45	32,829.51	28,627.11
Less: Cash and Bank balances	4,706.53	2,211.30	983.65
Net debt	**31,897.92**	**30,618.21**	**27,643.46**
Total Capital (ii)	107,344.65	96,517.40	91,715.10
Capital and Net Debt	**139,242.57**	**127,135.61**	**119,358.56**
Net debt to Total Capital plus net debt ratio (%)	22.91%	24.08%	23.16%

(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, 2023, March 31, 2022 and April 01, 2021.

48 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.

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

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.

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, 2023	As at March 31, 2022	As at April 01, 2021
Increase in basis points	+50	+50	+50
Effect on profit before tax	(173.58)	(153.60)	(148.52)
Decrease in basis points	(50)	(50)	(50)
Effect on profit before tax	173.58	153.60	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 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.

Non certification of works billed

The Group has not acquired any credit impaired asset. There was no modification in any financial assets. The costs incurred on

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FOR THE YEAR ENDED MARCH 31, 2023

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's trade receivable using provision matrix:-

At March 31, 2023

₹ in lakhs

	< 6 months	6 months - 1 year	1-2 years	2- 3 years	More than 3 Years	Total
ECL Rate	0.60%	8.10%	7.20%	6.80%	28.40%	
Estimated total gross carrying amount at default	27,863.21	3,164.85	4,302.74	5,367.69	6,746.20	47,444.69
ECL specified approach	169.77	255.07	310.01	362.69	1,916.04	3,013.59
Net carrying amount	27,693.44	2,909.77	3,992.72	5,005.00	4,830.16	44,431.10

At March 31, 2022

₹ in lakhs

	< 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	7,192.22	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

At April 01, 2021

₹ in lakhs

	< 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

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

Reconciliation of impairment allowance on trade and other receivables

₹ in lakhs

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 April 1, 2022	**7,246.90**
Add/ (Less): provision on expected credit loss	4,544.12
(Less) Bad debt written off	(6,624.03)
(Less) Bad debt written off on other receivables	(2,153.40)
Impairment allowance as on March 31, 2023	**3,013.59**

C) Liquidity risk

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 demand	Within 12 months	After 12 months	Total
Year ended March 31, 2023				
Borrowings (including current maturities)	15,818.46	9,623.50	11,162.49	36,604.45
Other financial liabilities	-	5,902.10	4,413.88	10,315.98
Lease liabilities	-	219.62	165.24	384.86
Trade payables	-	63,364.02	-	63,364.02
	15,818.46	**79,109.24**	**15,741.61**	**110,669.31**
Year ended March 31, 2022				
Borrowings (including current maturities)	9,570.39	9,522.52	13,736.60	32,829.51
Other financial liabilities	-	4,627.23	3,589.41	8,216.64
Lease liabilities		244.03	443.21	687.24
Trade payables	-	52,899.80	-	52,899.80
	9,570.39	**67,293.57**	**17,769.22**	**94,633.19**
As at April 01, 2021				
Borrowings (including current maturities)	13,723.53	6,669.79	8,233.79	28,627.11
Other financial liabilities		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	**52,168.03**	**11,349.21**	**77,240.78**

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

49 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.

50 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 up to the date of approval of standalone financial statements in the preparation of the financial statements.

51 The Code on Social Security,2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The said code is made effective prospectively from May 03, 2023. The Company is assessing the impact, if any, of the Code

52

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Change	Remark
a) Current ratio	Current Assets	Current Liabilities	1.44	1.43	0%	-
b) Debt equity ratio	Total Debt	Share Holder's Equity	0.34	0.34	0%	-
c) Debt service coverage ratio	Earnings of Debt service= Net profit after tax + non cash expenses	Debt service= Interest and lease payment+ Principal repayment	3.02	2.47	22%	-
d) Return on equity	Net profit after tax - preference dividend	Average share holder's equity	9.35%	5.07%	84%	Increase in the ratio is due to increase in PAT in FY 2022-23 by INR 4,753.95 Lakhs
e) Inventory turnover ratio	Cost of goods sold	Average inventory	11.55	8.78	32%	Ratio increased due to increase in COGS for F.Y 2022-23 to INR 1,21,337.66 Lakhs vis-à-vis INR 93,069.69 for F.Y 2021-22 as the turnover of the current year is INR 179,858.70 Lakhs vis-a-vis INR 133,982.81 Lakhs of FY 2021-22
f) Trade receivable turnover ratio	Net Credit sale= Gross credit sale - sale return	Average trade receivable	3.95	3.22	23%	-
g) Trade payable turnover ratio	Net Credit sale= Gross credit sale - sale return	Average trade receivable	2.06	1.98	4%	-
h) Net capital turnover ratio	Net Credit sale= Gross credit sale - sale return	Average trade receivable	3.39	3.04	11%	-
i) Net profit ratio	Net profit	Net sales = Total sales - sales return	5.30%	3.56%	49%	Increase due to increase in PAT of INR 9,529.67 Lakhs Vis-à-vis INR 4,775.73 lakhs in the financial year 21-22

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

Ratio	Numerator	Denominator	31-Mar-23	31-Mar-22	% Change	Remark
j) Return on capital employed"	Earning before interest & tax	Capital employed = Tangible net worth + total debt - deferred tax liability	12.33%	6.98%	77%	Increase in the ration due to increase in PAT of FY 2022-23 INR 9,529.67 Lakhs Vis-à-vis INR 4,775.73 lakhs in the year 2021-22
k) Return on investments	Income generated from investment fund	Average investment in treasury investments	-	0.008	-100%	There is no income generated from sale of investment in 2022-23 Vis-à-vis INR 0.19 Lakhs in the year 2021-22.

53 Other statutory information's

(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 Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(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:

(INR in Lakhs)

Name of the Struck off company	Nature of transaction with struck of companies	Balance as at March 31, 2023	Balance as at March 31, 2022	Relationship with the struck off company
NLCS Communications Private Limited	Receiving of services	-	(2.55)	Advance to subcontractor
Avantika Glass And Kitchen Technologies Private Limited	Purchase of material	-	0.65	Material vendor
Aramco Engineering Private Limited	Receiving of services	(1.91)	-	Advance to subcontractor
Mechwing Engineering & Services Private Limited	Receiving of services	(9.02)	(9.02)	Advance to subcontractor
Aft Infrastructure (OPC) Private Limited	Receiving of services	10.90	10.90	Subcontracting vendor
Viva Concrete Technologies Private Limited	Receiving of services	(0.73)	(0.73)	Advance to subcontractor
Nmic Interior Private Limited	Receiving of services	-	0.69	Subcontracting vendor
Super Gypsum Private Limited	Receiving of services	0.01	(2.68)	Subcontracting vendor
Avk Castings Private Limited	Purchase of material	12.29	110.37	Material vendor
Amritvarsha Constructions Private Limited	Receiving of services	7.53	7.53	Subcontracting vendor
Royal Palazzo Private Limited	Receiving of services	-	0.14	Subcontracting vendor
Ambakkudy Builders Private Limited	Receiving of services	0.07	0.07	Subcontracting vendor
Hitek Air Engineers Private Limited	Purchase of material	-	0.03	Material vendor
Hanumat Multi Services Private Limited	Receiving of services	(1.68)	(1.68)	Advance to subcontractor
Kohinoor Investigation Services Private Limited	Receiving of services	9.64	10.14	Subcontracting vendor

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

Name of the Struck off company	Nature of transaction with struck of companies	Balance as at March 31, 2023	Balance as at March 31, 2022	Relationship with the struck off company
Amritvarsha Infraprojects Private Limited	Receiving of services	0.12	0.12	Subcontracting vendor
Bralic Infrastructure Private Limited	Receiving of services	(6.82)	(6.82)	Advance to subcontractor
Other entities	Subscription to equity shares	3.98	2.99	Equity shareholder

Details of other struck off entities holding equity shares in the company is as below :

INR in Lakhs

Name of the struck off company	Number of shares held	Paid up value as at March 31, 2023	Paid up value as at March 31, 2022
Pragya Mercantile Pvt Ltd	15,000	1.50	1.50
Salasar Securities Pvt Ltd	14,815	1.48	1.48
Kaveri Impex Private Limited	10,000	1.00	-
Madhva Textile Processors Private Limited	15	0.00	0.00
Arihant Capital Markets Ltd	-	-	0.00
Total	**39,830.00**	**3.98**	**2.99**

(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 entities (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.

(vii) The Group did not have 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).

(viii) 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)

Notes to the Consolidated Financial Statements

FOR THE YEAR ENDED MARCH 31, 2023

54 During the year, the Group has changed the method of measuring progress i.e. from output method to input method as specified in Ind-AS 115 – 'Revenue from Contract with Customers' consequent to change in the circumstances including change in the nature of contracts secured by the Group during recent years. Management believes that input method, a method widely used by most other engineering and construction companies, would be more reliable and relevant in measuring the progress of the projects and therefore also be more accurate on a comparative basis in measuring the Group's performance in transferring control of goods and services promised to the customers until completion of the contracts. Pursuant to the impact of this change in method, the Group had restated the comparative financial statements for the year ended March 31, 2022, in accordance with the requirements of Ind-AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors'. Retained earnings (other equity) as at April 01, 2021 within the statement of changes in equity has also been restated to adjust the impact of such adjustments relating to prior years.

Impact on Statement of Profit and Loss: **Increase/(decrease) in INR Lakhs**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations	851.75	504.07
Profit before tax	851.75	504.07
Tax Expenses	214.37	126.86
Profit for the period	637.38	377.21
Basic earning per share	0.94	0.56
Diluted earning per share	0.90	0.56

Impact on Balance Sheet: **Increase/(decrease) in INRLakhs**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022	As at April 01, 2021
Unbilled work-in-progress (Other current financial assets)	851.75	504.07	(1,539.65)
Retained earnings (Under equities)	637.38	377.21	(1,152.15)
Current tax	214.37	-	-
Deferred tax assets	-	-	387.50
Deferred tax liabilities	-	126.86	-

55 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

For and on behalf of the Board of Directors
Capacit'e Infraprojects Limited

per Jayesh Gandhi
Partner
Membership No : 37924

Rahul Katyal
Managing Director
DIN: 00253046

Rohit Katyal
Executive Director &
Chief Financial Officer
DIN: 00252944

Place: Mumbai
Date: May 26, 2023

NOTICE

NOTICE is hereby given that the 11th Annual General Meeting of the Members of **CAPACIT'E INFRAPROJECTS LIMITED** ("the Company") will be held on Thursday, **21st Day of September, 2023 at 11.00 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, 2023 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, 2023 together with the reports of the Auditor's thereon.

2. **To resolve not to re-appoint and not fill the vacancy caused due to retirement by rotation of Mr. Siddharth Parekh, Non-Executive Director of the Company**

    To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

    "**RESOLVED THAT** Mr. Siddharth Parekh (DIN:06945508), who was appointed as a Director of the Company liable to retire by rotation, and who does not seek re-appointment upon expiry of his term at this Annual General Meeting, be not re-appointed a Director of the Company;

    RESOLVED FURTHER THAT the vacancy, so created on the Board of Directors of the Company, be not filled."

B. SPECIAL BUSINESS:

3. **Remuneration payable to Mr. Subir Malhotra, (DIN: 05190208) Executive Director of the Company for the remaining tenure of his appointment (i.e., from April 1, 2023 to October 31, 2023).**

    To consider and if thought fit, to pass with or without modification, the following resolution as **Special Resolution:**

    "**RESOLVED THAT** pursuant to the recommendation from Nomination and Remuneration Committee and the Board during their respective meetings held on August 11, 2023 and subject to the provisions of Sections 196, 197, 198 and other applicable provisions read with Schedule V of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification or re-enactment(s) thereof), consent of the members of the Company be and are hereby accorded to the Company for payment of remuneration to Mr. Subir Malhotra, (DIN: 05190208) Executive Director of the Company with effect from April 1, 2023 to October 31, 2023 including the remuneration to be paid in the event of loss or inadequacy of profits during any financial year, upon the principal terms and conditions as set out in the explanatory statement annexed hereto. The other terms of his appointment including designation, duties & responsibilities remains the same.

    RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to vary, alter or modify the terms of remuneration specified above from time to time to the extent it may deem appropriate, provided that such variation/s, alteration/s or modification/s, as the case may be, shall not exceed the aggregate managerial remuneration payable to all such Executive / Whole-time Directors of the Company pursuant to the provisions of Section 197, 198 of the Companies Act, 2013 and rules made thereunder.

    RESOLVED FURTHER THAT no sitting fees be paid to Mr. Subir Malhotra, (DIN: 05190208) Executive Director for attending meetings of the Board of Directors or any committee thereof.

    RESOLVED FURTHER THAT the Board of Directors and / or the Company Secretary of the Company be and are hereby authorised to do all such acts, deeds, things and matters as they may deem fit necessary, expedient or desirable for giving effect to the foregoing resolution."

4. **Re-appointment of Mr. Subir Malhotra (DIN: 05190208), as an Executive 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, 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. Subir Malhotra (DIN: 05190208), as Whole-time Director designated as Executive Director of the Company for a further period of 3 (Three) years with effect from November 1, 2023 to October 31, 2026, 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. Subir Malhotra, subject to the ceiling on remuneration of ₹ 1,20,00,000/- (Rupees One Crore Twenty Lakhs Only) per annum.

RESOLVED FURTHER THAT the remuneration payable to Mr. Subir Malhotra, 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 aforesaid resolution."

5. **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 ₹ 2,00,000/- (Rupees Two Lakhs 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, 2024 be and is hereby ratified."

6. **Increase in Authorised Share Capital and Consequent Alteration of Memorandum of Association:**

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

"**RESOLVED THAT** pursuant to Sections 13, 14, 61 of the Companies Act, 2013, Rule 15 of the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Act read with Rules thereunder (including any statuary modification or re-enactment thereof for the time being in force) and applicable provisions of the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to increase the Authorised Share Capital of the Company from existing ₹ 80,00,00,000 divided into 8,00,00,000 Equity Shares of ₹ 10/- each to ₹ 90,00,00,000 comprising of 9,00,00,000 Equity Shares of ₹ 10/- each, ranking pari-passu in all respect with the existing shares of the Company.

RESOLVED FURTHER THAT the Clause V of Memorandum of Association of the Company be and is hereby amended by substituting the existing Clause V thereof by the following new Clause V as under:

"V. (a) The Authorised Share Capital of the Company is ₹ 90,00,00,000 (Rupees Ninety Crore) divided into 9,00,00,000 (Nine Crore) Equity Shares of ₹ 10/- (Rupee Ten) each"

RESOLVED FURTHER THAT any one of the Executive Directors or Company Secretary of the Company be and is hereby authorised, severally, to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to give effect to the above resolution, including but not limited to sign / digitally sign, submit the relevant e-Forms with Ministry of Corporate Affairs and take all such steps and actions and give such directions and delegate such authorities, as it may in its absolute discretion, deem appropriate."

7. **To approve revision in remuneration payable to Independent Directors by way of Commission.:**

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

"**RESOLVED THAT** in supersession of all the earlier resolutions passed for payment of remuneration to Independent Directors and pursuant to the provisions of Section 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to pay remuneration by way of commission or otherwise to the Independent Directors of the Company for 3 (Three) Financial Years, i.e., Financial Year 2023-24, 2024-25 and 2025-26, at an amount not exceeding 1.00% of the net profits of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013, subject to maximum of ₹ 5,00,000 per Independent Director and the said remuneration is in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time;

RESOLVED FURTHER THAT the total overall managerial remuneration payable to all the directors of the Company in any financial year shall not exceed the limits prescribed under Section 197 and other applicable provisions of the Act;

RESOLVED FURTHER THAT the Board of Directors, Key Managerial Personnel and any other person authorized by the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

By order of the Board of Directors

Rohit Katyal
Executive Director & CFO
DIN: 00252944

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 11, 2023

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 and General Circular No. 10/2022 dated December 28, 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, Circular number SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular number SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 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 September 21, 2023 at 11.00 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 11, 2023 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 these 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 / updations.

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 21, 2023.

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.

23. **Procedure for Login for E-voting and Attending AGM through VC/OAVM for Individual Shareholders holding securities in Demat mode.**

    In terms of SEBI circular dated December 09, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in Demat mode is given below:

Individual shareholders holding securities in Demat mode with National Securities Depository Limited ("NSDL")	**A. User already registered for IDeAS facility:** 1. Open https://eservices.nsdl.com 2. Click on the "Beneficial Owner" icon under 'IDeAS' section. 3. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" 4. Click on Bank Name or e-Voting service provider and you will be re-directed to e-voting service provider website for casting your vote during the remote e-Voting period. **B. User not registered for IDeAS e-Services:** 1. To register, open https://eservices.nsdl.com either on a Personal Computer or on a mobile. 2. Select "Register Online for IDeAS "Portal or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Proceed with completing the required fields **C. By visiting the e-Voting website of NSDL:** 1. Open https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 2. Click on the icon "Login" which is available under 'Shareholder/Member' section 3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. 5. Click on Bank 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.
Individual Shareholders holding securities in Demat mode with Central Depository Services (India) Limited ("CDSL")	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in Demat mode) login through their depository participants	You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Bank 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.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	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
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Instructions for members for remote e-voting:

Cut-off date for e-Voting: Friday, 15th September, 2023

Time period for remote e-Voting:

Commencement of remote e-Voting: 9.00 a.m. on Monday, 18th September, 2023 End of remote e-Voting: 5:00 p.m. on Wednesday, 20th September, 2023

Login method for remote e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

i. Initial password is provided in the body of the e-mail.

ii. Launch internet browser and type the URL: https://evoting.kfintech.com in the address bar.

iii. Enter the login credentials i.e. User ID and password mentioned in your e-mail. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.

iv. After entering the correct details, click on LOGIN.

v. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise 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.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. You need to login again with the new credentials.

vii. On successful login, the system will prompt you to select the EVENT i.e. "Capacit'e Infraprojects Limited – AGM

viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN', in which case, the shares held will not be counted under either head.

ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed.

Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

xi. Corporate / institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF / JPG format) of certified true copy of relevant board resolution / authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is / are authorised to vote, to the Scrutinizer through email at shreyanscs@gmail.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'BFL_EVENT No.

xii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting User Manual available at the 'download' section of https://evoting.kfintech.com or call KFin on 1800 309 4001 (toll free).

A. Voting at e-AGM

i. Only those members/shareholders, who will be present in the e-AGM and who have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote.

ii. Members who have voted through remote e-voting will still be eligible to attend the e-AGM.

iii. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

iv. Voting at e-AGM will be available at the end of the e-AGM and shall be kept open for 15 minutes. Members viewing the e-AGM, shall click on the 'e-voting' sign placed on the left-hand bottom corner of the video screen. Members will be required to use the credentials, to login on the e-Meeting webpage, and click on the 'Thumbs-up' icon against the unit to vote.

B. Instructions for members for attending the e-AGM

i. Members will be able to attend the e-AGM through VC/OAVM or view the live webcast of e-AGM provided by KFin at https://emeetings.kfintech.com by using their remote e-voting login credentials and by clicking on the tab "video conference". The link for e-AGM will be available in members login, where the EVENT and the name of the Company can be selected.

ii. Members are encouraged to join the meeting through devices (Laptops, Desktops, Mobile devices) with Google Chrome for seamless experience.

iii. Further, members registered as speakers will be required to allow camera during e-AGM and hence are requested to use internet with a good speed to avoid any disturbance during the meeting.

iv. Members may join the meeting using headphones for better sound clarity.

v. While all efforts would be made to make the meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may at times experience audio / video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

vi. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL https://emeetings.kfintech.com/ and clicking on the tab 'Speaker Registration' during the period starting from 18th September, 2023 (10.00 a.m.) up to 20th September 2023 (5.00 p.m.). Only those members who have registered themselves as a speaker will be allowed to express their views / ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Only questions of the members holding shares as on the cut-off date will be considered.

vii. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL https://emeetings.kfintech.com/, under the "How It Works" tab placed on top of the page.

viii. Members who need technical assistance before or during the e-AGM can contact KFin at emeetings@kfintech.com or Helpline: 1800 309 4001.

Procedure for Registration of email and Mobile: securities in physical mode

Physical shareholders are hereby notified that based on SEBI Circular number:

SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16th, 2023, all holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

a) Through 'In Person Verification' (IPV): the authorized person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or

b) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFIN Technologies Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

c) Through electronic mode with e-sign by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx#

Detailed FAQ can be found on the link: https://ris.kfintech.com/faq.html

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

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 15, 2023 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

Rohit Katyal
Executive Director & CFO
DIN: 00252944

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 11, 2023

ADDITIONAL INFORMATION IN RESPECT OF ITEM NO. 2 OF THIS NOTICE

ITEM NO. 2

To resolve not to re-appoint and not fill the vacancy caused due to retirement by rotation of Mr. Siddharth Parekh, Non-Executive Director of the Company

Mr. Siddharth Parekh (DIN:06945508) has been serving as Non-Executive (Non-Independent) Director on the Board of your Company since October 18, 2016

Pursuant of Section 152(6) of the Companies Act, 2013 ("the Act"), Mr. Siddharth Parekh is liable to retire by rotation at 11th AGM of the Company. Although being eligible for re-appointment, he has expressed his unwillingness to be re-appointed and not offered himself for re-appointment at the 11th AGM, owing to his pre-occupation. Accordingly, Mr. Siddharth Parekh would cease to hold office as a Director of the Company at the conclusion of the 11th AGM of the Company.

The Board of Directors ("Board") places on record their earnest appreciation to the invaluable contributions, leadership and guidance extended by Mr. Siddharth Parekh to the Board and the Management of the Company during his association. He has immensely contributed in channelizing the Company towards high governance standards and practices.

The Board of your Company comprises of eight Directors as on August 11, 2023 with an optimal mix of Executive and Non-Executive Directors and Independent Directors. Considering the current composition of Board being adequate with diverse mix of experience, skills, expertise and acumen and in compliance with the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, the Board of your Company, basis the recommendation of the Nomination and Remuneration Committee, at its respective meetings held on August 11, 2023, has decided that the vacancy caused in the position of Mr. Siddharth Parekh be not filled for the time being. The composition of the Board would continue to remain statutorily compliant.

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 2 of the Notice.

The Board recommends passing of the ordinary resolution as set out at Item No. 2 of the accompanying Notice for approval by the Members of the Company.

All relevant documents and papers relating to Item No. 2 and referred to in this Notice and Explanatory Statement, shall be open for inspection by the Members of the Company. Members can request inspection of such documents by sending an e-mail to cs@capacite.in.

In conformity with the provisions of Section 102 of the Companies Act, 2013 and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, the following Explanatory Statement and annexure thereto setting out all material facts relating to the Special Businesses at Item Nos. 3 to 7 mentioned in the accompanying Notice, should be taken as forming part of this Notice.

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 7 of the accompanying Notice;

Item No.3

Increase in remuneration payable to Mr Subir Malhotra, Executive Director of the Company:

In the 7th Annual General Meeting held on August 28, 2019, Mr. Subir Malhotra had been appointed as Whole-time Director designated as Executive Director of the Company, w.e.f., November 1, 2018 for a period of 5 (Five) years pursuant to the approval of members. The term of office of Mr. Subir Malhotra as Executive Director of the Company is due to expire on October 31, 2023.

In view of the increase in the job responsibilities and scope of work in the Company, the Nomination and Remuneration Committee and Board of Directors at its separate meetings held on August 11, 2023 has recommended an increase in the remuneration of Mr. Subir Malhotra with effect from 1st April 2023 for the remaining tenure of his appointment (i.e., effective from April 1, 2023 to October 31, 2023), remuneration up to a maximum amount of ₹ 1,20,00,000/- (Rupees One Crore Twenty Lakh) per annum.

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 mentioned in the aforesaid regulation. As Mr. Subir Malhotra fall under the category of promoters and as it is recommended to revise his terms of appointment (remuneration). 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.

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.

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. Subir Malhotra, 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

To Re-appoint Mr Subir Malhotra as Executive Director of the Company:

In the 7th Annual General Meeting held on August 28, 2019, Mr. Subir Malhotra had been appointed as Whole-time Director designated as Executive Director of the Company, w.e.f., November 1, 2018 for a period of 5 (Five) years pursuant to the approval of members. The term of office of Mr. Subir Malhotra as Executive Director of the Company is due to expire on October 31, 2023. The present proposal is to seek the Shareholders' approval for the re-appointment of Mr. Subir Malhotra as a Whole-time Director designated as the Executive 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 11, 2023 has, subject to the approval of the Shareholders, approved reappointment of Mr. Subir Malhotra for a further period of 3 years from November 1, 2023.

Remuneration of Mr. Subir Malhotra, 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. Subir Malhotra, shall not exceed the overall ceiling on remuneration approved by the Members in General Meeting. Your Directors have recommended a ceiling on remuneration of ₹ 1,20,00,000/- (Rupees One Crore Twenty Lakhs 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.

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 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 mentioned in the aforesaid regulation. As Mr. Subir Malhotra 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.

Disclosures under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) 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 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.

The Board of Directors recommends the Special Resolution as set forth in Item No. 4 for the approval of shareholders of the Company.

Except Mr. Subir Malhotra, none of the Directors and Key Managerial Personnel of the Company are concerned or interested, financially or otherwise in the above resolution.

ITEM NO. 5:

To ratify remuneration payable to Cost Auditors of the Company:

The Board, on the recommendations of the Audit Committee during their meetings held on May 26, 2023 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, 2024 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 of ₹ 2,00,00,000 (Rupees Two Lakh) payable to the Cost Auditor for the financial year ending March 31, 2024 by passing an Ordinary Resolution as set out at Item No. 5 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. 5 for the approval of the Shareholders.

ITEM NO. 6:

To increase Authorized Share Capital of the Company:

Pursuant to Company's business expansion and consequent funding requirements, it is proposed to increase the Authorised Share Capital of the Company from the existing ₹ 80,00,00,000/- (Rupees Eighty Crore) divided into 8,00,00,000 (Eight Crore) equity shares of ₹ 10/- (Rupees Ten) each to ₹ 90,00,00,000 (Rupees Ninety Crore) divided into 9,00,00,000 (Nine Crore) Equity Shares of ₹ 10/- (Rupee Ten) each.

Pursuant to the provisions of Section 13, 61 & 64 of the Companies Act, 2013, approval of the Members is required for increasing the Authorised Share Capital of the Company and alteration in the Memorandum of Association of the Company.

Accordingly, the Board commends the Ordinary Resolution set out at Item No. 6 of the Notice of Annual General Meeting for approval of the members of the Company.

None of the Directors / Key Managerial Personnel of the Company or their relatives, in any way, are concerned or interested, financially or otherwise, in proposed resolution.

ITEM NO. 7:

To approve payment of commission to Independent Directors of the Company:

The Company's Independent Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, business development, corporate governance, risk management, research & innovation amongst others.

The Company's Independent Directors have been shaping and steering the long-term strategy and made invaluable contributions towards business development, governance, long term strategy and compliances.

During the year, the Board has discussed benchmarking the remuneration payable to Independent Directors. They discussed about industry, size, effective governance and expected contribution by them in the growth of the Company. In line with the recommendations made by the members of Nomination and Remuneration Committee and Board of Directors at their meetings held on August 11, 2023, proposal to pay commission was decided @ 1.00% (One percent) net profits of the Company, subject to a maximum of ₹ 5,00,000/- per Independent Director calculated in accordance with the provisions of the Act, effective from the financial year 2023-24 and thereafter for financial year 2024-25 and financial year 2025-26, i.e., 3 (three) Financial Years

The payment of such remuneration shall be in addition to the sitting fees for attending Board/Committee meetings. This commission will be distributed to all the Independent Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Act.

Accordingly, the Board recommends the resolution set forth in Item No. 7.

All Independent Directors are deemed to be concerned or interested, financially or otherwise, in this resolution to the extent of commission that may be received by them. None of the other Directors / Key Managerial Personnel of the Company or their relatives, in any way, are concerned or interested, financially or otherwise, in proposed resolution.

By order of the Board of Directors

Rohit Katyal
Executive Director & CFO
DIN: 00252944

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 11, 2023

ANNEXURE- A

Details of Directors seeking Appointment/ Re-appointment as required under Regulation 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. Subir Malhotra
Date of Birth	October 11, 1965
Age (years)	57
Date of Appointment	November 1, 2013
Qualification	Bachelor's Degree in Civil Engineering from Birla Institute of Technology & Science (BITS),Pilani.
Relation with other Director/ s (Inter-se)	Not applicable
Terms and Conditions of appointment /reappointment	Re-appointment as a Whole- time Director designated as Executive Director, liable to retire by rotation.
Expertise in specific functional areas	Business development and Operations
Directorship held in other companies as on date	NIL
Chairman/ Member of the Committee of the Board of Directors of the Company*	NIL
Committee positions in other Public Companies	NIL
Number of shares of the Company, held	2525439 Equity Shares

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 2022-23 by the above Director and remuneration drawn in respect of the above Director, 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 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, 2023	Year Ended March 31, 2022
Revenue from operations	179075.84	1,33,982.81
Other income	916.76	1,307.72
Total Income	**179992.60**	**1,35,290.53**
Profit before tax	13494.13	6583.75
Net Profit after Tax	9433.16	4845.69

(b) Consolidated Financial Performance

(₹ In Lakhs)

Particulars	Consolidated	
	Year Ended March 31, 2023	Year Ended March 31, 2022
Revenue from operations	179858.70	1,33,982.81
Other income	951.86	1,313.59
Total Income	**180810.56**	**1,35,296.40**
Profit before tax	13595.34	6513.79
Net Profit after Tax	9529.68	4775.73

(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. Subir Malhotra aged 57 years, joined the Company as a Director with effect from November 1, 2013 and further he was re-appointed on November 1, 2018. He holds Bachelor's degree in Civil Engineering (honours) from the Birla Institute of Technology & Science, Pilani and his expertise in specific functional areas includes MAS Designs specialized in providing design, project management and execution of services viz. Electrical, HVAC, Hydraulics, data, and voice and building finishes. He has thorough knowledge and vast exposure to all related latest technologies.

(2) Past remuneration

Sr. No	Particulars	Linked to	% / Fixed	Amount (in ₹) Per Month	Amount (in ₹) Per Annum
1	Salary & Allowances				
1.1	Basic	N.A.	Fixed	2,87,333	34,47,996
1.2	HRA	N.A.	Fixed	0	0
1.3	Management Allowance	N.A.	Fixed	4,31,000	51,72,000
	Total			**7,18,333**	**86,19,996**

(3) Recognition or awards

Under the directorship of Mr. Subir Malhotra 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.

Some major awards / accolades in the Environmental, Social and Governance (ESG) achieved are:

- Golden Peacock occupational health and safety award 2018
- Suraksha Puraskar (Bronze Trophy) by NSCI Safety awards – 2018 (Construction sector) presented on 27 February 2019.
- National safety week awards for safe man hours' completion in 2017, 2018, 2019, 2021, 2022, 2023
- CIDC Vishwakarma Awards 2017, 2018, 2019, 2021, 2022 –
- Achievement award for Construction Health, Safety & Environment
- Construction times award – Emerging construction company of the year 2017
- Construction world global awards – India's Top challenger awards 2022
- Zee 24 Taas awards – Health & safety award for contribution towards permanent healthcare infrastructure.

(4)	Job profile and his suitability	Taking into consideration the size of the Company, the complex nature of its operations, the strategic and operational restructuring of the Company and transformations undertaken, Mr. Subir Malhotra's broad functional and general management skills, his rich experience and vast knowledge of the Company's Business and his guidance on technology that can be used for improving performance in the activities of 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. Subir Malhotra 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 Executive Director of the Company, Mr. Subir Malhotra devotes his substantial 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. Subir Malhotra does not have any pecuniary relationship with the Company. Mr. Subir Malhotra is one of the Promoters and he holds 25,25,439 equity shares in the share capital 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 for re-appointment of Mr. Subir Malhotra Company for a further period of 3 years with effect from November 1, 2023 to October 31, 2026 and as a matter of abundant precaution, as the profitability of the Company may be adversely impacted in future due to business environment and the limits specified u/s 197 may be exceeded during the said period.
(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 statement;
- Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2022-23: The requisite details of remuneration etc. of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2022-23 of the Company.

By order of the Board of Directors

Rohit Katyal
Executive Director & CFO
DIN: 00252944

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 11, 2023

FOR EASE OF PARTICIPATION BY MEMBERS, PROVIDED BELOW ARE KEY DETAILS REGARDING THE AGM FOR REFERENCE:

Sr. No.	Particulars	Details of access
1	Link for participation through Video Conferencing (VC) at the AGM	https://emeetings.kfintech.com by using e-Voting credentials and clicking on video conference
2	Link for posting AGM queries and speaker registration and period of registration	https://emeetings.kfintech.com by using e-Voting credentials and clicking on "post your queries" / "Speaker registration" as the case may be. Period of registration: From Monday, September 18, 2023 to Wednesday, September 20, 2023
3	Link for remote e-Voting	Members may refer to the instructions provided under "Procedure and Instructions" for E-Voting" section in the subsequent pages of this Notice
4	Username and password for VC	Members may attend the AGM through VC by accessing the link https://emeetings.kfintech.com by using the remote e-Voting credentials. Please refer the instructions provided in the Notice
5	Helpline number for VC participation and e-Voting	Contact KFin Technologies Limited at 1800 309 4001 or write to them at emeetings@kfintech.com
6	Cut-off date for e-Voting	Friday, September 15, 2023
7	Time period for remote e-Voting	Commencement of remote e-Voting: 9.00 a.m. on Monday, September 18, 2023 End of remote e-Voting: 5:00 p.m. on Wednesday, September 20, 2023
8	Link for Members to update email ID	KFintech website: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx/
9	Last date for publishing results of remote e-Voting and e-Voting during the AGM	Saturday, September 23, 2023
10	Registrar and Transfer Agent - Contact details	M/s KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) Unit: Capacite Infraprojects Limited. Selenium Building, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad - 500 032 Tel: +91 40 6716 1611 Toll Free no- 1800-309-4001 E-mail Id- einward.ris@kfintech.com Website: www.kfintech.com
11	Capacite Infraprojects Limited - Contact details	Registered Office: 605-607, 6th Floor, Shrikant Chambers, Phase – I, Adjacent to R K Studios, Sion-Trombay Road, Chembur, Mumbai – 400071, Maharashtra, India Tel: +91 22 71733717 Email: cs@capacite.in

NOTES

CAPACIT'E
INFRAPROJECTS LIMITED

Registered & Corporate Office:

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

Website: www.capacite.in

Email: compliance@capacite.in

CIN: L45400MH2012PLC234318