

SHAH P M AND ASSOCIATES

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Konstelec Engineers Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Konstelec Engineers Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and notes to the standalone 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 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, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the 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 opinion on the standalone financial statements.

Emphasis of Matter

The management has computed work in progress using the percentage of completion method, where revenue is recognized based on the stage of completion of the contract activity. The stage of completion is determined by comparing costs incurred to date with the estimated total costs of a contract. The determination of revenues under this method involves making estimates by management.

Contract assets and unbilled revenue are recognized when there is an excess of revenue earned and/or accrued over billings on contracts. Contract assets are classified as unbilled receivables, and



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unbilled revenue is included in Revenue (pending only invoicing) when there is an unconditional right to receive cash, and only the passage of time is required, as per contractual terms.

Work in Progress is arrived at by taking difference between revenue recognised as above less Contract assets computed as above

We have relied solely on management's estimates for the total costs, estimated project margin, and computation of the excess of revenue earned and/or accrued over billings on contracts. We have performed audit procedures specifically addressing these matters, as described in the Key Audit Matter section below.

These matters are of such importance that they have been disclosed in Note 2.1 v, 2.1 vi, 15 and 19 to the financial statements and have been subjected to specific audit procedures. However, we emphasize that our opinion on the financial statements is not modified with respect to these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the 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 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 financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying standalone financial statements.

The Key Audit Matter	How the Key Audit Matter was addressed in our audit
<p>Revenue from works contracts represents significant amount of the total revenue from operations of the Company.</p> <p>Revenue from these contracts is recognised on satisfaction of the performance obligations over a period of time and in accordance with the requirements of relevant accounting standards.</p> <p>Revenue recognition involves significant estimates related to</p>	<p>In view of the significance of the matter we applied the following audit procedures:</p> <ol style="list-style-type: none">Assessed compliance of the Company's policies in respect of revenue recognition with the applicable accounting standards;Evaluated the design and implementation and tested operating effectiveness of key internal controls around revenue recognition and recording of contract costs;Selected a sample of contracts to test, based on the below mentioned criteria:<ul style="list-style-type: none">- significant revenue recognised during the year; or- significantly high, low or- negative profit margins.For these selected contracts, we have assessed the



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<p>measurement of costs for completion, valuation of claims and penalties / liquidated damages and in turn evaluation of the related receivables and liabilities at each reporting date. Penalties / liquidated damages specified in the contracts are inherent in the determination of transaction price and forms part of variable consideration.</p> <p>Overstatement of revenue is considered to be a significant audit risk as revenue is the key driver of returns to investors and incentives linked to performance for a reporting period.</p> <p>Due to significant judgment involved in the estimation of the total revenue, costs to complete and the revenue that should be recognized and significant audit risk of overstatement, we have considered measurement of contract revenue as a key audit matter.</p>	<p>estimated costs to complete, variations in contract price and contract costs and the adequacy of provision for penalties / liquidated damages arising from customer disputes. This assessment included:</p> <ul style="list-style-type: none">- verification / reviewed the executed version of contracts and its amendments for key terms and milestones to verify the estimated total revenue and costs to complete and / or any changes thereto;- compared costs incurred with Company's estimates of costs incurred to date to identify significant variation and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contracts;- appropriate cut-off procedures for determination of revenue in the correct reporting period;- compared revenue recorded during the year with the underlying contracts, milestones achieved and invoices raised on the customers;- inquiries with the project and commercial departments about significant changes to estimated total revenue and costs to complete and settlement and recoverability of contract related receivables;- sighted the correspondence with customers around recoverability of claims and penalties / liquidated damages.
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Other Information

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the such other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The Board of Director's report is not made available to us at the date of this auditor's report.

We have nothing to report in this regard.



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Responsibility of Management for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2021 specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

1. Identify and assess the risks of material misstatement of the standalone 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.



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2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

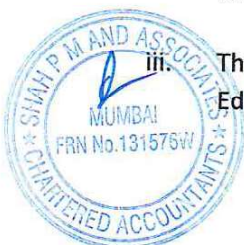


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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 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 purpose 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, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021 specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) 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 financial statements – Refer Note 26 to the standalone 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.



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- 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(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the 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 mis-statement.
- v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Companies Act 2013

For SHAH P M AND ASSOCIATES

Chartered Accountants

ICAI Firm Registration No: 131576W

per PUNIT J. SHAH

Partner

Membership No: 130284

UDIN: 23130284BGZABZ8152

Place: Mumbai

Date: 20 June 2023



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Annexure 1

Referred to in paragraph 1 of under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment except for some Property, Plant and Equipment whose records are not maintained.
- (a) (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- a. Property Plant and Equipment have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.
- b. According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the company.

Title deeds of immovable property taken on lease by the Company not held in the name of the company:

Relevant line item in the Balance sheet	Description of item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
Others	Property taken on lease by Company	NA (Refer note 1 below)	Amish Shah	Director/Promoter	01 October 2012	Agreement between the company and the director/promoter is not yet prepared
Others	Property taken on lease by Company	Refer Note 2 below				

Note 1: The Company has taken property on lease from Director/Promoter and paying rent. Therefore Gross carrying value of the property is not disclosed in above table.

Note 2: The Company has taken several properties on lease from various parties at various sites of the Company. The Company is of the opinion that it is not possible for the Company to execute each and every



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lease agreement and therefore in most of the cases, the lease contract is not formal or not executed in favour of lessee or not executed in any other manner.

- c. The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2023.
- d. 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 Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company, except in cases where the amounts have been updated in books post submission of quarterly returns or statement.
- (iii) (a) During the year the Company has not provided any loans, advances in the nature of loans, stood guarantee, or provided security to companies, firms, Limited Liability Partnerships or any other parties except staff loans. 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 and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties except staff loans. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties except staff loans. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties except staff loans. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties except staff loans. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted loans and advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited



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Liability Partnerships or any other parties except staff loans. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (v) The Company has neither accepted any deposits from public nor accepted any amounts which are deemed to be deposits within the meaning of section 73 to 76 of the Companies Act, 2013 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) According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies, Act 2013 for the business activities carried out by the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company has generally been regular in depositing Undisputed statutory dues including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-Tax, Sales Tax, Service Tax, Value Added Tax, cess and any other Statutory Dues to the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and based on audit procedures performed by us, there are no statutory dues referred to in sub clause (a) above that have not been deposited on account of any dispute except for disputed dues of Income-tax, Sales-tax, Value Added Tax and cess as disclosed in Annexure A to this report.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.



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- (c) According to the information and explanations given to us and to the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied during the year for the purpose for which the loans were obtained, other than temporary deployment pending application of proceeds.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis do not seem to have been utilized for long term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its joint venture.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its joint venture.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable



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and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.

- (xiv) In our opinion and according to the information and explanations given to us, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013 and accordingly reporting under clause 3(xiv) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. 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.



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- (xx) In our opinion and according to the information and explanations given to us, following details are provided with respect to Section 135 of the Companies Act 2013 for reporting of clauses 3(xx)(a) and 3(xx)(b) of the Order:

Particulars	Amount in lakhs	
	For the year ended 31 March 2023	Cumulative of previous years till 31 March 2022
Amount required to be spent by the company for "other than Ongoing Projects"	10.89	80.74
Unspent amount of above	NIL	5.33
Amount Transferred to Fund specified in Schedule VII to the Act	-	-
Due date of transfer to the specified fund*	NA	*
Actual date of transfer to the specified fund	NA	**
Number of days of delay	NA	*

* Due date to transfer such unspent amount of other than Ongoing Projects to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year, is effective from 22 January 2021.

**As represented by the management of the Company, the Company had not transferred unspent amount of Rs.61.74 Lakhs till 31 March 2022 to Fund specified in Schedule VII to the Act within due date, but Rs.56.41 Lakhs has been spent mainly for education of weaker section in Financial year 2022-23. As represented by the management of the Company, the Company had not identified any ongoing projects for spending on CSR activities.

For SHAH P M AND ASSOCIATES

Chartered Accountants

ICAI Firm Registration No: 131576W



per **PUNIT J. SHAH**

Partner

Membership No: 130284

UDIN: 23130284BGZABZ8152

Place: Mumbai

Date: 20 June 2023



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Annexure 2 to the Independent Auditor's Report on the standalone financial statements of Konstelec Engineers Private Limited for the year ended March 31 2023

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Konstelec Engineers Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone 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 prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the 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 standalone 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 standalone financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial



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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 judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **SHAH P M AND ASSOCIATES**

Chartered Accountants

ICAI Firm Registration No: 131576W



per **Punit J. SHAH**

Partner

Membership No: 130284

UDIN: 23130284BGZABZ8152

Place: Mumbai

Date: 20 June 2023



SHAH P M AND ASSOCIATES

Chartered Accountants

Annexure A – Details of disputed amounts payable in respect of statutory dues in arrears as at 31st March, 2023:

Name of the Statute	Nature of Dues	Amount involved (Rs. in lakhs)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	5.54	Assessment Year 2009-10	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	36.17	Assessment Year 2010-11	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	0.44	Assessment Year 2012-13	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	7.66	Assessment Year 2012-13	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	1.41	Assessment Year 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1.38	Assessment Year 2018-19	Assistant/ Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	15.86	Assessment Year 2020-21	Centralized processing centre
Haryana Value Added Tax	Value Added Tax/ Sales Tax	0.20	Financial Year 2015-16	Assistant Commissioner, Excise & Taxation Department, Faridabad (North)
Punjab Value Added Tax	Value Added Tax/ Sales Tax	0.06	Financial Year 2017-18	Office of Designated Officer-cum-Excise & Taxation Officer
Goods and Services Tax	Goods and Services Tax	4.38	Financial Year 2020-21	21AAACK2747D1Z4- Odisha Jurisdictional Officer
Goods and Services Tax	Goods and Services Tax	1.03	Financial Year 2018-19	29AAACK2747D1Z0- Karnataka Jurisdictional Officer
Goods and Services Tax	Goods and Services Tax	6.68	For the period 01 July 2017 to 31 March 2018	08AAACK2747D1ZS- Rajasthan Jurisdictional Officer
Goods and Services Tax	Goods and Services Tax	11.86	Financial Year 2021-22	37AAACK2747D1ZR- Andhra Pradesh Jurisdictional Officer
Goods and Services Tax	Goods and Services Tax	38.97	Financial Year 2019-20	27AAACK2747D1ZS-Maharashtra Jurisdictional Officer



SHAH P M AND ASSOCIATES

Chartered Accountants

Goods and Services Tax	Goods and Services Tax	1.13	Financial Year 2020-21	36AAACK2747D1ZT- Telangana Jurisdictional Officer
Goods and Services Tax	Goods and Services Tax	4.32	Financial Year 2019-20	36AAACK2747D1ZT- Telangana Jurisdictional Officer
Service Tax Act, 1994	Service Tax	164.61	Financial Year 2015-16	Joint Commissioner CGST & Central Excise Mumbai East Commissionerate



KONSTELEC ENGINEERS PRIVATE LIMITED

BALANCE SHEET AS AT 31 MARCH 2023

(All amounts in rupees lakhs, except per share data and as stated otherwise)


	Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	100.00	100.00
	(b) Reserves and surplus	4	6,103.93	5,424.10
			6,203.93	5,524.10
2	Non-current liabilities			
	(a) Long-term borrowings	5	600.21	267.14
			600.21	267.14
3	Current liabilities			
	(a) Short-term borrowings	6	2,922.50	2,399.02
	(b) Trade payables	7	3,589.09	2,643.74
	(i) total outstanding dues of micro enterprises and small enterprises		778.99	501.05
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2,810.10	2,142.69
	(c) Other current liabilities	8	969.45	631.08
	(d) Short-term provisions	9	192.12	141.62
			7,673.16	5,815.46
	TOTAL		14,477.30	11,606.70
B	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment and Intangible Assets	10	837.25	750.30
	(i) Property plant and Equipment		832.47	742.47
	(ii) Intangible Assets		4.78	7.83
	(iii) Intangible Assets under development		-	-
	(b) Non current investment	11	203.64	293.83
	(c) Deferred Tax Assets/(Deferred Tax Liabilities) (Net)	12	(8.71)	0.06
	(d) Long-term loans and advances	13	49.55	3.50
	(d) Other Non Current Assets	14	303.59	595.74
			1,385.32	1,643.43
2	Current assets			
	(a) Inventories	15	3,902.97	3,593.92
	(b) Trade receivables	16	5,317.25	5,127.67
	(c) Cash and bank balances	17	968.90	446.22
	(d) Short-term loans and advances	18	1,071.19	795.46
	(e) Other Current Assets	19	1,831.67	-
			13,091.98	9,963.27
	TOTAL		14,477.30	11,606.70
	Summary of signifiant accounting policies	2.1		

In terms of our report of even date attached
For SHAH P M AND ASSOCIATES
Chartered Accountants
ICAI Firm Registration No: 131576W



Partner
Name : Punit J. Shah
Membership No. 130284
Place: Mumbai
Date: 20 June 2023



For and on behalf of the Board of Directors


(Director)
Biharilal Shah
DIN No:00337318




(Director)
Amish Shah
DIN No:01415766

KONSTELEC ENGINEERS PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 March 2023
(All amounts in rupees lakhs, except per share data and as stated otherwise)


	Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Revenue from operations	20	15,031.46	10,592.35
2	Other income	21	172.39	184.73
3	Total Income		15,203.85	10,777.08
4	Expenses			
	(a) Cost of materials consumed	22	7,398.65	4,012.79
	(b) Changes in inventories of work-in-progress		(309.04)	(112.37)
	(c) Employee benefits expense	23	2,360.82	1,769.92
	(d) Finance costs	24	486.55	327.13
	(e) Depreciation and amortization expense	10	81.49	77.53
	(f) Other expenses	25	4,154.90	4,196.58
	Total expenses		14,173.37	10,271.58
5	Profit before Tax		1,030.48	505.51
6	Tax expense:			
	Current Tax		303.15	130.30
	Deferred Tax		8.78	-1.36
7	Profit for the year		718.55	376.57
8	Earnings Per Share (of face value of Rs.10/- each) Basic and Diluted		71.85	37.66
	Summary of signifiant accounting policies	2.1		


In terms of our report of even date attached
For SHAH P M AND ASSOCIATES
Chartered Accountants
ICAI Firm Registration No: 131576W


Partner
Name : Punit J. Shah
Membership No. 130284
Place: Mumbai
Date: 20 June 2023



For and on behalf of the Board of Directors


(Director)
Biharil Shah
DIN No:00337318


(Director)
Amish Shah
DIN No:01415766



KONSTELEC ENGINEERS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023
 (All amounts in rupees lakhs, except per share data and as stated otherwise)

Sr. No.	Particulars	For the Year Ended 31 March 2023		For the Year Ended 31 March 2022	
(A)	Cash Flow From Operating Activities:				
	Profit before taxation		1,030.48		505.51
	Adjustments for:				
	Depreciation	81.49		77.53	
	(Profit)/Loss on sale of Fixed Assets	(2.38)		(0.89)	
	(Profit)/Loss on sale of Investments	(11.98)		(93.64)	
	Interest expense	348.76		218.08	
	Dividend income	(1.75)		(2.13)	
	Other adjustments pertaining to previous years	(28.72)		(17.99)	
	Cash generated from operating activities	385.42		180.95	
	Adjustments for working capital:				
	Increase/ (decrease) in trade payables	945.34		999.98	
	Increase / (decrease) in provisions	50.49		3.20	
	Increase / (decrease) in other current liabilities	338.36		(36.56)	
	Decrease / (increase) in trade receivables	(189.58)		(1,857.93)	
	Decrease / (increase) in inventories	(309.04)		(112.37)	
	Decrease / (increase) in loans and advances	(624.93)		284.63	
	Decrease / (increase) in other assets (including fixed deposits having original maturity more than 3 months)	(2,083.60)	(1,487.54)	75.50	(462.59)
	Cash used in operations		(457.06)		42.92
	Income Tax Refund/ (Paid) (Net)		-		-
	Net cash generated From operating activities		(457.06)		42.92
(B)	Cash Flow From Investing Activities:				
	Sale of Fixed Assets	4.79		3.07	
	Acquisition of fixed assets	(170.85)		(53.55)	
	Investment in Mutual Fund & Shares (Net)	102.17		36.21	
	Dividend	1.75		2.13	
	Net cash utilised for investing activities		(62.14)		(12.14)
(C)	Cash Flow From Financing Activities:				
	Proceeds/(Repayment) of long-term borrowings (Net)	333.08		(11.33)	
	Net increase / (decrease) in short term borrowings	523.48		113.75	
	Interest paid	(348.76)		(218.08)	
	Dividend Paid (inclusive of Tax on Dividend)	(10.00)		-	
	Net Cash generated from Financing Activities		497.80		-115.66
	Net Increase/(Decrease) in Cash and Cash Equivalents		(21.40)		(84.88)
	Add: Cash and Cash Equivalents (Opening)		62.43		147.31
	Cash and cash equivalents (Closing)		41.03		62.43
(D)	Cash and Cash Equivalents includes:				
	Cash on hand		3.84		5.94
	Bank Balances (Including deposits)		37.19		56.49
			41.03		62.43

In terms of our report of even date attached
 For SHAH P M AND ASSOCIATES
 Chartered Accountants
 ICAI Firm Registration No: 131576W


 Partner
 Name : Punit J. Shah
 Membership No. 130284
 Place: Mumbai
 Date: 20 June 2023



For and on behalf of the Board of Directors


 (Director)
 Biharilal Shah
 DIN No:00337318


 (Director)
 Amish Shah
 DIN No:01415766



KONSTELEC ENGINEERS PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31 March 2023

(All amounts in rupees lakhs, except per share data and as stated otherwise)

Note	Particulars																				
1	<p>Corporate information KONSTELEC ENGINEERS PRIVATE LIMITED was incorporated on 5th December, 1995 as a private limited company under the Companies Act, 1956. The Company is engaged in the business of electrical and EPC contracts.</p>																				
2	<p>Basis of Preparation The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.</p>																				
2.1	<p>Significant accounting policies</p>																				
i	<p>Use of estimates The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.</p>																				
ii	<p>Property, Plant and Equipment and Intangible assets Property, Plant and Equipment are stated at the cost of acquisition, less accumulated depreciation and impairment losses, if any. Cost comprises purchase price, duties, levies and any directly attributable cost of bringing the asset to its working condition for the intended use. Interest on borrowed money, allotted to and utilized for qualifying tangible assets, pertaining to the period up to the date of capitalization is added to the cost of the assets. Advances paid towards the acquisition of tangible assets outstanding at each Balance Sheet date and the cost of tangible assets not ready for their intended use before such date are disclosed under capital work-in-progress.</p> <p>Depreciation on Property, plant and equipment and Intangible assets Depreciation on property, plant and equipment is calculated based on written down value method using the rates arrived at, based on the useful lives estimated by the management. The company has used the following useful lives to provide depreciation on its property, plant and equipment.</p> <table border="1"> <thead> <tr> <th colspan="2">Useful lives estimated by the management (years)</th> </tr> </thead> <tbody> <tr> <td>Office Buildings and Premises</td> <td>60</td> </tr> <tr> <td>Plant and equipments</td> <td>4 to 15</td> </tr> <tr> <td>Furniture and fixtures</td> <td>5 to 10</td> </tr> <tr> <td>Vehicles</td> <td>8 to 10</td> </tr> <tr> <td>Office equipment</td> <td>5</td> </tr> <tr> <td>Computers</td> <td>3 to 6</td> </tr> <tr> <td>Leasehold improvements</td> <td>5</td> </tr> <tr> <td>Building - Temporary Structures</td> <td>3</td> </tr> <tr> <td>Software - Intangible Asset</td> <td>5</td> </tr> </tbody> </table> <p>The management has estimated the useful lives of Property, Plant and Equipment and Intangible assets is based on past experience of the Company and supported by independent assessment by professionals, which may differ in some cases from useful lives mentioned in Companies Act 2013</p>	Useful lives estimated by the management (years)		Office Buildings and Premises	60	Plant and equipments	4 to 15	Furniture and fixtures	5 to 10	Vehicles	8 to 10	Office equipment	5	Computers	3 to 6	Leasehold improvements	5	Building - Temporary Structures	3	Software - Intangible Asset	5
Useful lives estimated by the management (years)																					
Office Buildings and Premises	60																				
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Office equipment	5																				
Computers	3 to 6																				
Leasehold improvements	5																				
Building - Temporary Structures	3																				
Software - Intangible Asset	5																				
iii	<p>Impairment of Assets An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets, when at balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which it belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use.) An impairment loss is charged off to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of its recoverable amount.</p>																				
iv	<p>Borrowing Costs Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. 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 capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.</p>																				
v	<p>Investment Investments which are readily realizable and intended to be held for not more than one year from the date of such investments are made, are classified as current investments. All other investments are classified as long term investments. On initial recognition, all investments are measured at cost. The cost comprises of purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost or fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charge or credited to the statement of profit and loss.</p>																				
vi	<p>Inventories and Work in Progress</p>																				



KONSTELC ENGINEERS PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31 March 2023
(All amounts in rupees lakhs, except per share data and as stated otherwise)

Note	Particulars
	<p>Inventory consists of Work in Progress for works contracts. The Work in Progress has been computed by first computing Revenue 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. Secondly, the Contract assets and unbilled revenue are recognised when there is excess of revenue earned and/or accrued over billings on contracts. The Contract assets are classified as unbilled receivables and unbilled revenue is included in Revenue (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.</p> <p>Work in Progress is arrived at by taking difference between Revenue recognised as above less Contract Assets computed as above</p>
vii	<p>Revenue recognition: Work Contracts: Revenue is recognised based on the agreed Contract. The Contract assets and unbilled revenue are recognised when there is excess of revenue earned and/or accrued over billings on contracts. The Contract assets are classified as unbilled receivables and unbilled revenue is included in Revenue (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.</p> <p>Dividends: Dividend income is recognized when the company's right to receive dividend is established by the reporting date.</p>
viii	<p>Foreign Currency Transaction Initial recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.</p> <p>Conversion: Foreign currency monetary items are translated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.</p> <p>Forward Contracts: The premium or discount arising at the inception of forward exchange contract is amortised and recognized as a expense/income over the life of the contract. Exchange differences on such contracts, except the contracts which are long term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.</p>
ix	<p>Employee Benefits Employee Benefits include provident fund, gratuity and compensated absences.</p> <p>Defined contribution plans The company has defined contribution plans for post employment benefits namely provident fund which are recognized by income tax authorities and administered through appropriate authorities. The company contributes to a government administered provident fund and has no further obligation beyond making its contribution. The company's contribution to above fund is charged to revenue every year.</p> <p>Defined benefit plan: The company provides for gratuity obligation through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment based on respective employee salary and years of employment with the company. The company makes annual contribution to LIC for the gratuity plan in respect of employees at certain circles.</p> <p>Other employee benefits: The employees of the company are entitled to leave as per the leave policy of the company. The liability in respect of unutilized leave balances is charged to revenue when option is exercised by employees.</p>
x	<p>Accounting for Taxes Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.</p>
xi	<p>Provisions and contingencies Provision is recognized in the balance sheet when, the company has a present obligation as a result of past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate of the amount of the obligation can be made. A disclosure by way of a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require a outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.</p>
xii	<p>Cash and Cash Equivalents Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.</p>



KONSTELEC ENGINEERS PRIVATE LIMITED

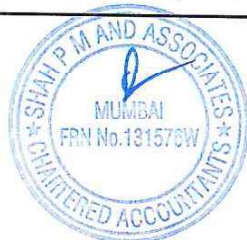
Notes forming part of the financial statements for the year ended 31 March 2023

(All amounts in rupees lakhs, except per share data and as stated otherwise)

Note	Particulars
xiii	Earnings Per Share The Company reports basic earnings per share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. The Basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. The diluted earning per share is computed by dividing the net profit attributable to the equity share holder for the period by the weighted average number of equity shares outstanding during the reporting period after adjusting for the effects of dilution.
xiv	Accounting policies not specifically referred to above are in consonance with generally accepted accounting principles.



KONSTELEC ENGINEERS PRIVATE LIMITED				
Notes forming part of the financial statements for the year ended 31 March 2023				
(All amounts in rupees lakhs, except per share data and as stated otherwise)				
Note 3 Share capital				
Particulars	As at 31 March 2023	As at 31 March 2022		
(a) Authorised				
1,000,000 (Previous Year 1,000,000) Equity shares of Rs 10 each	100.00	100.00		
(b) Issued, Subscribed and fully paid up				
1,000,000 (Previous Year 1,000,000) Equity shares of Rs 10 each	100.00	100.00		
Total	100.00	100.00		
Note 3.1				
Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year:				
Particulars	As at 31 March 2023	As at 31 March 2022		
As at the beginning of the year	10,00,000	10,00,000		
Outstanding at the end of the year	10,00,000	10,00,000		
Note 3.2				
Rights, Preferences and Restrictions attached to Equity shares				
(i) The Company has only one class of equity share having a par value of Rs 10 per share. Each holder of equity share is entitled for one vote per share. Accordingly, all equity shares rank equally with regards to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time.				
(ii) On winding up of the Company, the holder's of equity shares will be entitled to receive the residual assets of the Company after distribution of all preferential amounts in proportion to the number of equity shares held.				
Note 3.3				
Shares held by promoters at the end of the year				
Sr No	Promoters Name	As at 31 March 2023		
		No of shares	% of total shares	
			% Change during the year	
1	Amish Biharilal Shah	1,51,938	15.19%	
2	Biharilal Ravilal Shah	6,52,450	65.25%	
3	Biharilal Shah (HUF)	1,00,000	10.00%	
4	Nirupama Shah	40,444	4.04%	
5	Jatin Shah	35,000	3.50%	
6	Dipti Jigar Shah	20,168	2.02%	
			0.00%	
			0.00%	
Shares held by promoters at the end of the year				
Sr No	Promoters Name	As at 31 March 2022		
		No of shares	% of total shares	
			% Change during the year	
1	Amish Biharilal Shah	1,51,938	15.19%	
2	Biharilal Ravilal Shah	6,52,450	65.25%	
3	Biharilal Shah (HUF)	1,00,000	10.00%	
4	Nirupama Shah	40,444	4.04%	
5	Jatin Shah	35,000	3.50%	
6	Dipti Jigar Shah	20,168	2.02%	
			3.04%	
			0.00%	
			0.00%	
			-5.06%	
			0.00%	
			2.02%	
Note 3.4				
Details of shares held by each shareholder holding more than 5% shares:				
Name of shareholder	As at 31 March 2023		As at 31 March 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Biharilal Ravilal Shah	6,52,450	65.25%	6,52,450	65.25%
Biharilal Shah (HUF)	1,00,000	10.00%	1,00,000	10.00%
Amish Biharilal Shah	1,51,938	15.19%	1,51,938	15.19%
Note 4 Reserves and Surplus				
Particulars	As at 31 March 2023	As at 31 March 2022		
(a) General Reserve				
As per Last Balance Sheet	356.30	374.29		
Add: Other adjustments pertaining to previous years	(28.72)	(17.99)		
Closing balance	327.58	356.30		
(b) Surplus in Statement of Profit and Loss				
As per Last Balance Sheet	5,067.80	4,691.23		
Add: Profit for the year	718.55	376.57		
(i) Dividend	10.00	-		
Closing balance	5,776.35	5,067.80		
Total	6,103.93	5,424.10		
Note 5 Long-term borrowings				
Particulars	As at 31 March 2023	As at 31 March 2022		
Secured				
Term Loans and Vehicle Loans from Banks	600.21	267.14		
Total	600.21	267.14		
Sub-Note:				
Nature of Security				
Secured by Immovable property, Hypothecation of Vehicles, Hypothecation of Book-Debts, Work-in-Progress in relation to works contract, Fixed deposits, Personal Guarantee and Insurance Policies of Directors.				



KONSTELEC ENGINEERS PRIVATE LIMITED
Notes forming part of the financial statements for the year ended 31 March 2023
(All amounts in rupees lakhs, except per share data and as stated otherwise)

Note 6 Short-term borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Cash credit from banks		
Other Loans and Advances	2,616.17	2,159.40
Current Maturities of long term borrowings	79.96	-
Vehicle Loans	175.22	166.33
	0.66	-
Unsecured		
Loans and advances from related parties	50.49	73.29
Total	2,922.50	2,399.02

Nature of Security

Secured by Immovable property, Hypothecation of Vehicles, Hypothecation of Book-Debts, Work-in-Progress in relation to works contract, Fixed deposits, Personal Guarantee and Insurance Policies of Directors.

Note 7 Trade payables

Particulars	Outstanding for following periods from due date of payment				As at 31 March 2023
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	774.59	0.39	0.13	3.88	778.99
ii) Others	2,474.77	159.07	51.38	124.88	2,810.10
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-

Note 7 Trade payables

Particulars	Outstanding for following periods from due date of payment				As at 31 March 2022
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i) MSME	497.48	0.13	3.44	-	501.05
ii) Others	1,812.86	224.49	25.14	80.21	2,142.69
iii) Disputed dues - MSME	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	-

Particulars	As at 31 March 2023	As at 31 March 2022
(i) total outstanding dues of micro enterprises and small enterprises	778.99	501.05
(a) total outstanding dues of sundry creditors for purchase	778.99	501.05
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,810.10	2,142.69
(a) total outstanding dues of sundry creditors for purchase	1,842.43	1,376.45
(b) total outstanding dues of subcontractors	916.11	717.53
(c) total outstanding dues of sundry creditors for expenses	51.56	48.71
Total	3,589.09	2,643.74

Note 8 Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
(i) TDS Payable	32.58	16.54
(ii) Advances from customers	733.90	464.35
(iii) Security Deposit	20.98	16.13
(iv) Accrued salaries and benefits and related statutory dues	170.11	134.06
(v) Interest Accrued but not due	11.88	-
Total	969.45	631.08

Note 9 Short-term provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Bonus	50.58	43.19
Provision for Leave	12.99	8.53
Provision for Gratuity	26.88	4.00
Provision for CSR expenses	0.33	61.74
Provision for expenses	101.34	24.17
Total	192.12	141.62



KONSTELC ENGINEERS PRIVATE LIMITED

Notes forming part of the financial statements for the year ended 31 March 2023

(All amounts in rupees lakhs, except per share data and as stated otherwise)

Note 10. Property, Plant and Equipments and Intangible Assets

Sr. No.	Particulars	Gross Block			Depreciation / Amortisation			Net block		
		As at 1 April 2022	Additions	Deductions	As at 31 March 2023	As at 1 April 2022	For the year	Deductions	As at 31 March 2023	As at 31 March 2022
(i)	Tangible Assets									
(a)	Freehold Land	6.64	-	-	6.64	-	-	-	6.64	6.64
(b)	Office Building and Premises	964.09	68.89	-	1,032.98	29.42	-	-	638.48	599.01
(c)	Plant & Equipments	178.60	14.48	-	193.08	9.92	-	-	46.24	41.68
(d)	Furniture and Fixtures	55.65	0.07	-	55.72	5.82	-	-	16.85	22.60
(e)	Vehicles	232.50	33.53	23.45	262.58	17.43	21.05	-	83.58	49.87
(f)	Office Equipments	39.21	7.39	-	46.60	30.00	-	-	11.33	9.21
(g)	Computers	47.10	25.97	-	73.07	37.13	-	-	25.88	9.97
(h)	Leasehold Improvements	62.87	-	-	62.87	59.63	-	-	3.24	3.23
(i)	Building - Temporary Structures	3.91	-	-	3.91	3.68	-	-	0.23	0.24
(ii)	Intangible Assets									
(a)	Software	27.08	0.52	-	27.60	19.25	-	-	4.78	7.83
(iii)	Intangible Assets under development									
	Total	1,617.65	170.85	23.45	1,765.05	867.36	21.05	927.80	837.25	750.28
	Previous year	1,577.59	53.55	13.48	1,617.66	801.15	11.31	867.37	750.29	776.43



KONSTALEC ENGINEERS PRIVATE LIMITED
Notes forming part of the financial statements for the year ended 31 March 2023
(All amounts in rupees lakhs, except per share data and as stated otherwise)

Note 11 Non Current investment

Particulars	As at 31 March 2023	As at 31 March 2022
Non Trade Investment (Unquoted & Quoted)		
In Mutual Funds - Quoted (Market Value as at 31 March 2023 : 77.30) (PY : 195.09)	82.88	174.95
In Equity Instruments Quoted (other than Joint venture entity) (Market Value as at 31 March 2023: 101.39) (PY : 85.45)	73.76	71.88
In Joint Venture Entity	47.00	47.00
Total	203.64	293.83

Note 12 Deferred Tax Asset/(Liability)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred Tax Asset/(Liability)		
Related to Fixed Assets, Leave encashment and Bonus	(8.71)	0.06
Total	(8.71)	0.06

Note 13 Long-term loans and advances

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Advances	40.95	-
Prepaid expenses	8.60	3.50
Total	49.55	3.50

Note 14 Other non current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Bank Deposits with remaining maturity for more than twelve months (held as margin money or security against the borrowings, guarantee and letter of credit)	242.27	540.50
Unsecured considered Good - Security Deposit	61.32	55.24
Total	303.59	595.74

Note 15 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Work in Progress	3,902.97	3,593.92
Total	3,902.97	3,593.92

Note 16 Trade receivables

Particulars	Outstanding for following periods from date of payment					As at 31 March 2023
	Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables-Unsecured Considered Good	3,675.02	437.73	465.68	205.61	533.21	5,317.25
Undisputed Trade Receivables-Unsecured Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables-Unsecured Considered Good	-	-	-	-	-	-
Disputed Trade Receivables-Unsecured Considered Doubtful	-	-	-	-	-	-

Particulars	Outstanding for following periods from date of payment					As at 31 March 2022
	Less than 6 months	6 months to 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables-Unsecured Considered Good	3,836.81	382.28	270.58	312.38	325.62	5,127.67
Undisputed Trade Receivables-Unsecured Considered Doubtful	-	-	-	-	-	-
Disputed Trade Receivables-Unsecured Considered Good	-	-	-	-	-	-
Disputed Trade Receivables-Unsecured Considered Doubtful	-	-	-	-	-	-

Note 17 Cash and Bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and Cash equivalents		
Cash on hand		
Bank Balances	3.84	5.94
- Current Accounts		
- Deposit Accounts	37.19	56.49
Other Bank Balances	-	-
Deposits with remaining maturity for less than equal to 12 months (held as margin money or security against the borrowings, guarantees and letter of credit)	927.87	383.79
Total	968.90	446.22

Note 18 Short-term loans and advances

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured - Considered Good		
Earnest Money Deposits		
Prepaid expenses	49.54	76.49
Loans/Advance to employees	62.64	53.51
Trade advances	32.29	34.58
Income tax payments (Net of provisions)	355.85	317.69
Balances with government authorities	58.94	97.50
Others	504.89	213.63
Total	1,071.19	795.46

Note 19 Other Current Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Unbilled Receivables	1,831.23	-
Accrued interest on fixed deposits	0.44	-
Total	1,831.67	-



KONSTELEC ENGINEERS PRIVATE LIMITEDNotes forming part of the financial statements for the year ended 31 March 2023
(All amounts in rupees lakhs, except per share data and as stated otherwise)**Note No 20 Revenue From Operations**

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Sale of products	1,170.54	2,371.95
Sale of services	2,992.46	510.03
Composite Supply	10,868.46	7,710.37
Total	15,031.46	10,592.35

Note No 21 Other Income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest Income	45.63	44.71
Miscellaneous Income	7.47	0.07
Foreign Exchange Fluctuation (net)	38.93	16.81
Rental Income	40.84	16.98
Capital Gain	11.98	93.64
Dividend Income	1.75	2.13
Duty Drawback	21.17	-
Profit on sale of fixed assets (Net)	2.38	0.89
Liabilities no longer required written back	2.24	9.50
Total	172.39	184.73

Interest Income Comprises of :-

On Fixed Deposits	45.63	44.71
Total	45.63	44.71

Note No 22 Raw Materials Consumed and Changes in inventories of work-in-progress

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening stock		
Add: Purchases	3,593.92	3,481.56
	7,398.65	4,012.79
Less: Closing stock	10,992.57	7,494.35
	3,902.97	3,593.92
Total	7,089.60	3,900.43

Note No 23 Employee Benefits Expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, Wages and Bonus	2,037.85	1,478.49
Contribution to Provident and Other Funds	278.46	259.44
Staff Welfare	44.51	31.99
Total	2,360.82	1,769.92

Note No 24 Finance Costs

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on Loan/Cash Credit/Advance	348.76	218.08
Bank Charges	13.63	4.13
Bank Guarantee Charges	49.89	70.19
LC Charges	30.05	5.27
Processing fees and related expenses	44.22	29.46
Total	486.55	327.13



KONSTTEC ENGINEERS PRIVATE LIMITED
Notes forming part of the financial statements for the year ended 31 March 2023

Note No 25 Other Expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Consumption of Stores, Spares & Consumables	2.56	0.27
Discount/Brokerage/Commission	2.22	4.37
Late delivery charges	-	5.56
Site expenses	45.84	37.39
Power & Fuel	12.70	9.77
Rent Expenses	185.02	140.50
Rates and Taxes	52.09	27.10
Tax, Interest and Fee on Delayed Payment of Taxes	2.58	(0.25)
Repairs and Maintenance	41.20	15.02
Insurance	27.49	27.60
Sub-Contractors' and General Labour Payments	2,923.86	3,308.37
Legal and Professional Fees	108.12	57.51
Payment to Auditors	8.00	9.04
Travelling and Conveyance Expenses	454.24	294.84
Advertising & Sales Promotion Expenses	0.87	0.03
Transport, Freight and Octroi charges	61.21	14.36
Printing and Stationery	11.41	9.21
Postage and courier charges	4.98	3.44
Export Related Expenses	134.24	-
Communication cost	6.18	4.05
Bad Debts/Advances/Receivables Written Off	-	153.31
Donation	3.00	2.71
Membership and Subscription Expenses	0.56	0.23
Inspection Charges	4.75	3.47
Miscellaneous Expenditure	50.89	62.17
CSR expenses	10.89	6.50
Total	4,154.90	4,196.58

Payment to Auditors		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
As auditor:		
Audit fee	2.75	2.20
Tax audit fee	0.75	0.75
In other capacity:		
Taxation matters	3.25	5.20
Management services (including certificates)	1.25	0.89
Reimbursement of expenses	-	-
	8.00	9.04



KONSTELEC ENGINEERS PRIVATE LIMITED
Notes forming part of the financial statements

(All amounts in rupees lakhs, except per share data and as stated otherwise)

26 There are certain on-going litigations under various state and central tax legislations, the outcome of which is unascertainable. The company is contesting the demands and the management believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

Name of the Statute	Nature of Dues	Amount involved (Rs.)	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	5.54	Assessment Year 2009-10	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	36.17	Assessment Year 2010-11	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	0.44	Assessment Year 2012-13	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	7.66	Assessment Year 2012-13	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	1.41	Assessment Year 2013-14	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	1.38	Assessment Year 2018-19	Assistant/ Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	15.86	Assessment Year 2020-21	Centralized processing centre
Punjab Value Added Tax	Value Added Tax/ Sales Tax	0.06	Financial Year 2015-16	Office of Designated Officer-cum-Excise & Taxation Officer
Haryana Value Added Tax	Value Added Tax/ Sales Tax	0.20	Financial Year 2015-16	Assistant Commissioner, Excise & Taxation Department, Faridabad
Goods and Services Tax	Good and Services Tax	4.38	Financial Year 2020-21	21AAACK2747D1Z4- Odisha Jurisdictional Officer
Goods and Services Tax	Good and Services Tax	1.03	Financial Year 2018-19	29AAACK2747D1ZO- Karnataka Jurisdictional Officer
Goods and Services Tax	Good and Services Tax	6.68	For the period 01 July 2017 to 31 March 2018	08AAACK2747D1ZS- Rajasthan Jurisdictional Officer
Goods and Services Tax	Good and Services Tax	11.86	Financial Year 2021-22	37AAACK2747D1ZR- Andhra Pradesh Jurisdictional Officer
Goods and Services Tax	Good and Services Tax	38.97	Financial Year 2019-20	27AAACK2747D1ZS- Maharashtra Jurisdictional Officer
Goods and Services Tax	Good and Services Tax	1.13	Financial Year 2020-21	36AAACK2747D1ZT- Telangana Jurisdictional Officer
Goods and Services Tax	Good and Services Tax	4.32	Financial Year 2019-20	36AAACK2747D1ZT- Telangana Jurisdictional Officer
Service Tax Act, 1994	Service Tax	164.61	Financial Year 2015-16	Joint Commissioner CGST & Central Excise Mumbai East Commissionerate

27 As of March 31, 2023, the Company has availed letter of credit facility with ICICI Bank, HDFC Bank and Bank of Baroda totaling Rs.1,969.82 towards creditors for purchase of materials (PY Rs.1,362.13)

28 Amounts due to Micro Small and Medium Enterprises
Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006

Particulars	As at 31 March 2023	As at 31 March 2022
The principal amount remaining unpaid to any supplier at the end of the year	778.99	501.05
Interest due remaining unpaid to any supplier at the end of the year	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note: The above information is compiled by the Company on the basis of the information made available by vendors and the same has been relied upon by the Statutory Auditors.

29 Balances of Sundry Debtors, Advances and Sundry Creditors are subject to confirmation.



KONSTELEC ENGINEERS PRIVATE LIMITED
Notes forming part of the financial statements

(All amounts in rupees lakhs, except per share data and as stated otherwise)

30 Details of Foreign exchange inflows and outflows

Details of earning in foreign exchange

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Export of goods/services calculated on FOB basis	699.07	1,160

Details of expenditure in foreign exchange

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Expenditure on account of other matters	3.38	0.08

31 Disclosure under Accounting Standard 15 (revised 2005) "Employee Benefits"

Defined Benefit Plan:

The Company has availed a Group Gratuity scheme for its employees from Life Insurance Corporation of India. The Company receives actuarial valuation report on mail from the Life Insurance Corporation gives and the same is relied upon by the auditors.

Particulars	31 March 2023	31 March 2022
a) The amounts recognized in the balance sheet		
Present value of obligations as at the end of year	189.54	166.90
Fair value of plan assets as at the end of the year	165.12	146.90
Net asset/(liability) recognized in balance sheet	(24.42)	(20.01)
b) Reconciliation of opening and closing balances of Defined Benefit Obligation		
Present value of obligations as at beginning of year	166.90	160.75
Interest cost	12.10	11.65
Current Service Cost	11.24	10.09
Benefits Paid	(23.08)	(32.54)
Actuarial (gain)/loss on obligations	22.38	16.95
Present value of obligations as at end of year	189.54	166.90
c) Reconciliation of opening and closing balances of fair value of Plan Assets		
Fair value of plan assets at beginning of year	146.90	149.49
Expected return on plan assets	10.06	8.53
Contributions	31.24	21.42
Benefits Paid	(23.08)	(32.54)
Actuarial gain/(loss) on Plan assets	NIL	NIL
Fair value of plan assets at the end of year	165.12	146.90
d) Actuarial Assumptions		
Discount Rate	7.25%	7.25%
Salary Escalation	4.00%	4.00%

Defined Contribution Plan:

The Company has recognized the amounts in the Profit and Loss Account under the head Company's Contribution to Provident Fund: Rs. 250.11 (P.Y. Rs.196.06)

32 Segment Reporting (AS-17)

The Company has only one reportable segment i.e. electrical and EPC contracts and hence separate disclosure requirement of AS-17 Segment Reporting does not arise.

33 Related Party disclosure (AS-18)

As per Accounting Standard (AS-18), issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related parties as defined in the Accounting Standard is given below:



KONSTELEC ENGINEERS PRIVATE LIMITED
Notes forming part of the financial statements

(All amounts in rupees lakhs, except per share data and as stated otherwise)

33.1 Names of related parties where control exists irrespective of whether transaction have occurred or not:

Particulars	Related Parties
Key Management Personnel	1. Biharilal. R. Shah and B.R. Shah (HUF) 2. Amish. B. Shah
Relative of Key Management Personnel	1. Nirupama. B. Shah - Wife of Biharilal R. Shah 2. Rajul. A. Shah - Wife of Amish B. Shah 3. Dipali Jigar Shah - Daughter of Biharilal R. Shah
Joint Venture	Konstelec Hi Tech Engineers Pvt Ltd
Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence	1. KEPL EPC Nigeria Limited 2. CES Automation Engineers Private Limited

Related parties under AS 18 with whom transaction have taken place during the year:

Particulars	Key Management Personnel	Relative of Key Management Personnel	Joint Venture	Enterprises over which key management personnel and relatives of such personnel is able to exercise significant influence	Total
Income					
Revenue from operations	-	-	-	107.85	107.85
Expenses					
Remuneration/Salary	95.31	36.00	-	-	131.31
Subcontractor Expenses	(95.31)	(27.01)	-	-	(122.33)
Rent	-	-	-	(285.90)	(285.90)
Balance Outstanding	(2.16)	-	-	-	(2.16)
Assets					
Advance against expenses	2.39	-	-	-	2.39
Investment	(0.83)	-	-	-	(0.83)
Receivable	-	-	47.00	-	47.00
	-	-	(47.00)	-	(47.00)
	-	-	-	219.50	219.50
Liabilities					
Share Capital	-	-	-	(128.66)	(128.66)
Borrowings	90.44	6.06	-	-	96.50
	(90.44)	(6.06)	-	-	(96.50)
Rent payable	17.39	-	32.11	-	50.49
	(40.18)	-	(33.11)	-	(73.29)
Salary Payable	0.75	3.52	-	-	4.27
	(1.36)	(5.28)	-	-	(6.64)
	5.73	2.41	-	-	8.13
	(5.72)	(1.93)	-	-	(7.66)

Notes related to Related Party disclosure

1. Related party relationships and transactions have been identified by the management and relied upon by the Auditors
2. Figures in bracket pertains to previous year

3. The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year. The Company is required to update and put in place the information latest by the due date of filing its income tax return. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for tax.

34 Earnings Per Equity Share (AS - 20)

Basic and Diluted earning per equity share :

Particulars		For the year ended 31 March 2023	For the year ended 31 March 2022
Numerator:			
Profit after tax	Rupees	7,18,54,725.02	3,76,57,008.97
Denominator:			
Weighted average number of equity shares	Number	10,00,000.00	10,00,000.00
Nominal value of equity shares	Rupees	10.00	10.00
Basic and Diluted earning per equity share	Rupees	71.85	37.66

35 Operating lease: Company as lessee

Future minimum rentals payable under non-cancellable operating lease are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-
Total	-	-



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KONSTELEC ENGINEERS PRIVATE LIMITED

Notes forming part of the financial statements

(All amounts in rupees lakhs, except per share data and as stated otherwise)

Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
Ratios						
Name of the ratios						
(a) Current Ratio (in times)	13,091.98	7,673.16	1.71	1.71		
(b) Debt-Equity Ratio (in times)	3,522.71	6,203.93	0.57	0.48	-0.41%	
(c) Debt Service Coverage Ratio (in times)	1,460.72	1,024.37	1.43	2.07	17.65%	
(d) Return on Equity Ratio (in %)					-31.02%	Increase in borrowings
(e) Inventory turnover ratio	718.55	6,203.93	11.58%	6.82%		4.77%
(f) Trade Receivables turnover ratio (in times)			Not applicable			
(g) Trade payables turnover ratio (in times)	15,031.46	5,222.46	2.88	2.52		14.09%
(h) Net capital turnover ratio (in times)	7,398.65	3,116.42	2.37	1.87		26.76%
(i) Net profit ratio (in %)	15,031.46	5,418.82	2.77	2.82		-1.62%
(j) Return on Capital employed (in %)	718.55	15,031.46	4.78%	3.56%		1.23%
(k) Return on investment (in %) based on realized gains on Investments	1,379.24	6,804.14	20.27%	12.49%		7.78%
	13.73	201.73	6.81%	43.91%		-37.10%
						Previous year lot of investments were sold which led to higher Return on Investments

37 Corporate Social Responsibility (CSR) expenditure

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
1. Amount required to be spent by the company during the year	10.89	12.05
2. Amount of expenditure incurred on:		
(i) Construction/Acquisition of any asset	NA	NA
(ii) On purpose other than (i) above	10.89	3.00
3. Shortfall at the end of the year	-	9.05
4. Total of previous years shortfall	5.33	52.69
5. Reason for shortfall	The Company is not able to find any suitable agency	The Company is not able to find any suitable agency
6. Nature of CSR Activities	Education of weaker section	School Building extension

Note: The Company had not transferred unspent amount of Rs 61.74 Lakhs till 31 March 2022 to Fund specified in Schedule VII to the Act within due date, but Rs 56.41 Lakhs has been spent mainly for education of weaker section in Financial year 2022-23.

38 Title deeds of immovable property taken on lease by the Company not held in the name of the company

Relevant line item in the Balance sheet	Description of item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of	Property held since which date	Reason for not being held in the name of the company
Others	Property taken on lease by C	NA (Refer note 1 below)	Anish Shah	Director/Promoter	01-Oct-12	Agreement between the company and the director/promoter
Others	Property taken on lease by C					

Note 1: The Company has taken property on lease from Director/Promoter and paying rent. Therefore Gross carrying value of the property is not disclosed in above table.
 Note 2: The Company has taken several properties on lease from various parties at various sites of the Company. The Company is of the opinion that it is not possible for the Company to execute each and every lease agreement and therefore in most of the cases, the lease contract is not formal or not executed in favour of lessee or not executed in any other manner.

39 Details of Benami Property held

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

40 Security of current assets against borrowings

The quarterly returns or statement filed by the company with such banks are in agreement with the books of accounts of the company except in cases where the amounts have been updated in books post submission of quarterly returns or statement.

41 Willful Defaulter

The Company is not declared as willful defaulter by any bank of financial institution or other lender.

42 Relationship with struck off Companies

The Company do not have any transactions with Companies struck off.

43 Registration of charges or satisfaction with Registrar of Companies

- No Registration of charge is registered with Registrar of Companies for 7 Vehicle loans amount outstanding as on 31 March 2023 of 42.50 Lakhs (P.Y. Rs.59.45 Lakhs) and Loan against Asset amount outstanding as on 31 March 2023 of 34.37 Lakhs (P.Y. Rs.NIL). Vehicles are registered at various locations and loan is taken on various dates.
- There are some charge created twice and pending to be satisfied with Registrar of Companies
- In case of 2 charge creation open on ROC website, the Loan is closed but satisfaction of charges not submitted to bank and therefore pending to be satisfied with Registrar of Companies

44 Since the Company does not have any subsidiary, the provision of section 2 of clause 87 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017, is not applicable to the Company.

45 Revaluation of Property, Plant and Equipment

There is no such revaluation of Property, Plant and equipment and Intangible assets during the year.



(Handwritten signature)



KONSTELEC ENGINEERS PRIVATE LIMITED
Notes forming part of the financial statements

(All amounts in rupees lakhs, except per share data and as stated otherwise)

46 Utilization of Borrowed funds

The Company have not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company have not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

47 Undisclosed Income

The Company have not done 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 relevant provisions of the Income Tax Act, 1961)

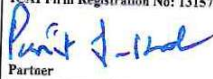
48 Crypto currency or Virtual currency

The Company have not traded or invested in Crypto currency or virtual currency during the current year and previous year

49 Previous years figures have been regrouped/reclassified to confirm to current year's presentation.

As per our separate report of even date attached

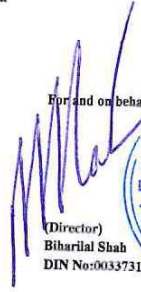

For SHAH P M AND ASSOCIATES
Chartered Accountants
ICAI Firm Registration No: 131576W



Partner
Name : Punit J. Shah
Membership No. 130284
Place: Mumbai
Date: 20 June 2023



For and on behalf of the Board of Directors

(Director)
Biharilal Shah
DIN No:00337318

