



**CONNECTING
POSSIBILITIES**

**EMPOWERING
FUTURE**

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Scope of the Report.

REPORTING PERIOD

01 April 2022 – 31 March 2023

REPORTING SCOPE AND BOUNDARY

This report extends beyond financial reporting and includes non-financial performance, opportunities, risks and outcomes attributable to or associated with our key stakeholders, which have a significant influence on our ability to create value. All the information presented in this report pertains to standalone operations of Likhitha Infrastructure Limited, unless otherwise specified. The information presented in this report is material to our stakeholders and presents an overview of the businesses and associated activities that help in value creation.

STATUTES, FRAMEWORK, GUIDELINES AND STANDARDS

This report has been prepared in accordance with the following:

- Companies Act, 2013 (and the rules made thereunder)
- Indian Accounting Standards
- Securities and Exchange Board of India Act, 1992 (and the regulations issued thereunder)
- Secretarial Standards issued by the Institute of Company Secretaries of India
- National Guidelines on Responsible Business Conduct (NGRBC)

BOARD RESPONSIBILITY STATEMENT

The contents of this Report have been read and reviewed by the Company's Senior Management, under the guidance of the Board. This ensured the integrity, accuracy and completeness of the information disclosed in the Report.



Chairman's Message.

Dear Shareholders,

It is my pleasure and privilege to present to you the 24th Annual Report of Likhitha Infrastructure Limited ("LIL"). The financial year 2022-23 has been marked by new opportunities and robust performance, despite facing challenges posed by volatile external market pressures, high inflation, and geopolitical tensions.

As India enters its next phase of growth after weathering the headwinds of a global pandemic and grappling with cost inflation and demand fluctuations, the need for greater efficiency in companies has become paramount. Concurrently, macro trends like sustainability have played a significant role in shaping business decisions. The infrastructure sector stands as the backbone of India's economic growth, and we firmly believe that challenges present opportunities for our nation's economy to emerge even stronger.

The Union Budget for the financial year 2023-24 sets forth an increased capital expenditure on infrastructure investment by 33 per cent, amounting to Rs 10 lakh crore, which is 3.3 per cent of the GDP. This move is poised to

significantly boost the economy, with India anticipating a robust growth rate of 7 per cent, outperforming other major economies. Infrastructure development remains crucial for building a sustainable future and achieving long-term societal development.

As you are aware, we specialize in developing pipeline networks across the country, alongside the construction of associated facilities. In addition to the Cross-country oil and gas pipeline projects and City Gas Distribution system development, we have focused on Tankage and Terminal Projects.

The Oil & Gas sector in India witnessed mixed trends during FY 2022-23. While crude oil production experienced a 1.7% decline compared to the previous year, natural gas output rose by 1.6%, driven by newer Oil & Gas field discoveries and the involvement of private players.

Your company remains particularly optimistic about the projected higher growth. According to the International Energy Agency, natural

gas consumption in India is set to increase by twenty-five billion cubic meters, with an average annual growth rate of 9% until 2024, buoyed by rising infrastructure projects and supportive environmental policies.

Likhitha Infrastructure Limited steadfastly strives to surpass industry-setting benchmarks, ensuring unparalleled customer satisfaction and top-notch quality. Our journey of business growth and value creation for our stakeholders propels us forward with unwavering confidence and determination. Now is the time to rededicate ourselves to becoming a world-class infrastructure company and contributing to our nation's progress.

Over the past two decades, our journey has propelled us to become a top pipeline laying company, thanks to our tireless efforts and well-devised strategies. We have adeptly navigated the complexities of the business and responded to evolving customer needs. Our track record of executing most projects ahead of schedule has bolstered customer confidence and enhanced our competencies in the O&G pipeline sector. With meticulous planning and strategy, we have also expanded into new geographies with high demand for infrastructure services. These well-considered moves have not only expanded our operations but also cemented our position in this fiercely competitive domain while ensuring attractive margins.

On a standalone basis, the revenue from operations stood at ₹ 350.76 Cr compared to ₹ 257.13 Cr in the previous year, registering a growth of 36.41%.

The Company has successfully installed 1500+ kms and ongoing projects that involve laying of 1000+ kilometers of Oil and Gas pipelines.

The digital transformation of every industry has driven us to adopt advanced technologies and align with industry trends. The Company continually upgrades employee skills and provides ongoing training to meet market demands. We maintain an adequate inventory of diverse equipment, giving us an edge to accelerate implementation, reduce overheads, and improve productivity. Additionally, we are committed to enhancing the career paths and personal well-being of our employees through various engagement initiatives.

Our dedication to responsible business practices and quality services is reflected in our Environment, Social, and Governance (ESG) initiatives. We have incorporated ESG goals into our plans and operations, working towards creating sustainable value for all our stakeholders.



“Likhitha Infrastructure Limited steadfastly strives to surpass industry-setting benchmarks, ensuring unparalleled customer satisfaction and top-notch quality. Our journey of business growth and value creation for our stakeholders propels us forward with unwavering confidence and determination.”

On behalf of each one of you, I extend my heartfelt gratitude and acknowledge the invaluable contributions of all our employees and other stakeholders of Likhitha Infrastructure Limited in all our endeavours.

Sivasankara Parameswara Kurup Pillai
Chairman and Director



Managing Director's Message.

Dear Shareholders,

I am pleased to address you and express my heartfelt appreciation for your unwavering support and loyalty towards Likhitha Infrastructure Limited.

As we reflect on the journey of FY 2023, we are filled with a profound sense of accomplishment, having successfully surmounted numerous challenges that came our way. Simultaneously, we wholeheartedly embraced new and exciting opportunities, skillfully paving the path towards a future that holds great promise. Our commitment to our customers' needs, coupled with a relentless pursuit of operational excellence and strategic alignment with market demands have firmly positioned us for sustained growth and prosperity.

Central to our success has been an unwavering dedication to meeting our customers' needs. By placing them at the forefront of our efforts, we have forged strong bonds and earned their trust, fueling our rapid progress.

Economy Overview

Amid the global economic recovery from the unprecedented challenges posed by the

pandemic, the world witnessed geopolitical uncertainties and macroeconomic shifts, calling for resilience and adaptability. As India's economy regained momentum, the government's unwavering support for businesses and grassroots initiatives facilitated the revival of economic activities. The allocation of funds towards the expansion and development of the infrastructure sector further bolstered our growth prospects.

Financial Performance

I am delighted to share that our company's growth trajectory has been truly remarkable. In FY 2023, our turnover witnessed an impressive 36.41% increase, reaching ₹350.76 Crores compared to ₹257.13 Crores in FY 2021-22, on a standalone basis. The Company's performance showcased a commendable PAT growth of 32.06% YoY, amounting to ₹60.04 Crores, surpassing ₹45.46 Crores from the previous year.

On a consolidated basis, the Company's turnover recorded a growth of 41.89%, totalling ₹364.95 Crores for FY 2022-23 compared to ₹257.21 Crores in FY 2021-22. The Company's PAT witnessed a growth of 30.72% YoY, amounting to ₹60.29 Crores, exceeding ₹46.12 Crores from the previous year.

Operational Highlights

Our company takes pride in its strong project execution and support teams, backed by proven expertise. This enables us to consistently deliver projects ahead of schedule and in a cost-efficient manner.

Moving ahead the company has secured significant projects including Cross-country Pipeline projects from Gail (India) Ltd (GAIL)- 12" x 150 Kms, 18" x 98 Kms, 18" x 125 Kms, Hindustan Petroleum Corporation Ltd (HPCL) - 10" x 90 Kms, and Numaligarh Refinery Limited (NRL)- 26" x 190 Kms. Also, the Company has received major project from IOCL in Nepal - Construction of Fuel depots including Product Storage tanks, station Works (CSW) Mechanical, Electrical, Civil, T&I work at NOC Terminal, (NEPAL) under MAPL Phase-II Project.

Order Book

As of March 31, 2023, our Company's outstanding order book stands at ₹1,42,593.92 lakhs. The Order Book comprises ₹97,585.55 Lakhs contributed by Cross-country pipelines and associated facilities, ₹32,480.92 Lakhs from City Gas Distribution including CNG Stations, ₹452.79 Lakhs from Operation & Maintenance of CNG / PNG and ₹12,074.65 lakhs from tankage & terminal projects. With a robust order book, we are well-positioned to ensure sustainable growth in our current business portfolio through profitable expansion and execution.

Growth Plans

As we look to the future, we remain optimistic about India's positive market conditions and anticipate that our growth agenda will align with the anticipated demand. Our company holds a strong position in the Oil & Gas sector, which has shown promising growth, particularly in gas production. We have successfully expanded our operations and are prepared to bid for high-volume and larger projects. With economic activities gaining momentum, we aim to expand our business to cover more geographical areas, and we are also exploring opportunities to execute overseas projects in the near future.

Beckoning New Horizons

In pursuit of growth, our Company has set its sights on the Middle East and other countries with significant demand for our services. We have ventured into new geographical territories, with the establishment of the 'Likhitha HAK Arabia Contracting Company' (Joint Venture) in the Kingdom of Saudi Arabia. This strategic move is expected to elevate our company's scale to even greater heights, presenting exciting prospects for the future.

Conclusion



"We are filled with a sense of accomplishment in overcoming multiple challenges that confronted us while embracing new and exciting opportunities that have paved the way for a promising future."

As we forge ahead, our core values of transparency, accountability, responsibility, compliance, ethics, and trust will continue to guide us in all our endeavours. We are committed to building a prosperous future for our shareholders, our employees and our communities.

On behalf of the Board, I extend my heartfelt gratitude to all our stakeholders for your unwavering support on our journey towards growth and success.

Srinivasa Rao Gaddipati
Managing Director



Likhitha Infrastructure Setting New Standards.

Founded in 1998, Likhitha Infrastructure Limited has emerged as a prominent and highly sought-after provider of Oil and Gas Pipeline Infrastructure service provider in India. Renowned within the industry for our exceptional expertise in pipeline installation and associated facility construction, we have successfully laid over 1500+ kilometers of pipelines in both the public and private sectors and ongoing projects of 1000+ kilometers of oil and gas pipelines. With a strong Pan-India presence encompassing 19 states and 2 Union Territories and Nepal. We have successfully incorporated a joint venture company in the Kingdom of Saudi Arabia.

Distinguished by our unwavering commitment to excellence, we deliver unparalleled services that exemplify our relentless pursuit of quality, adherence to timely delivery, and robust solutions customized to meet the diverse requirements of our esteemed clientele. Guiding our endeavors is the expertise and leadership of our esteemed promoter-cum-Managing Director, Mr. Gaddipati

Srinivasa Rao, whose profound technical acumen and hands-on experience spanning more than three decades have been instrumental in driving our success.

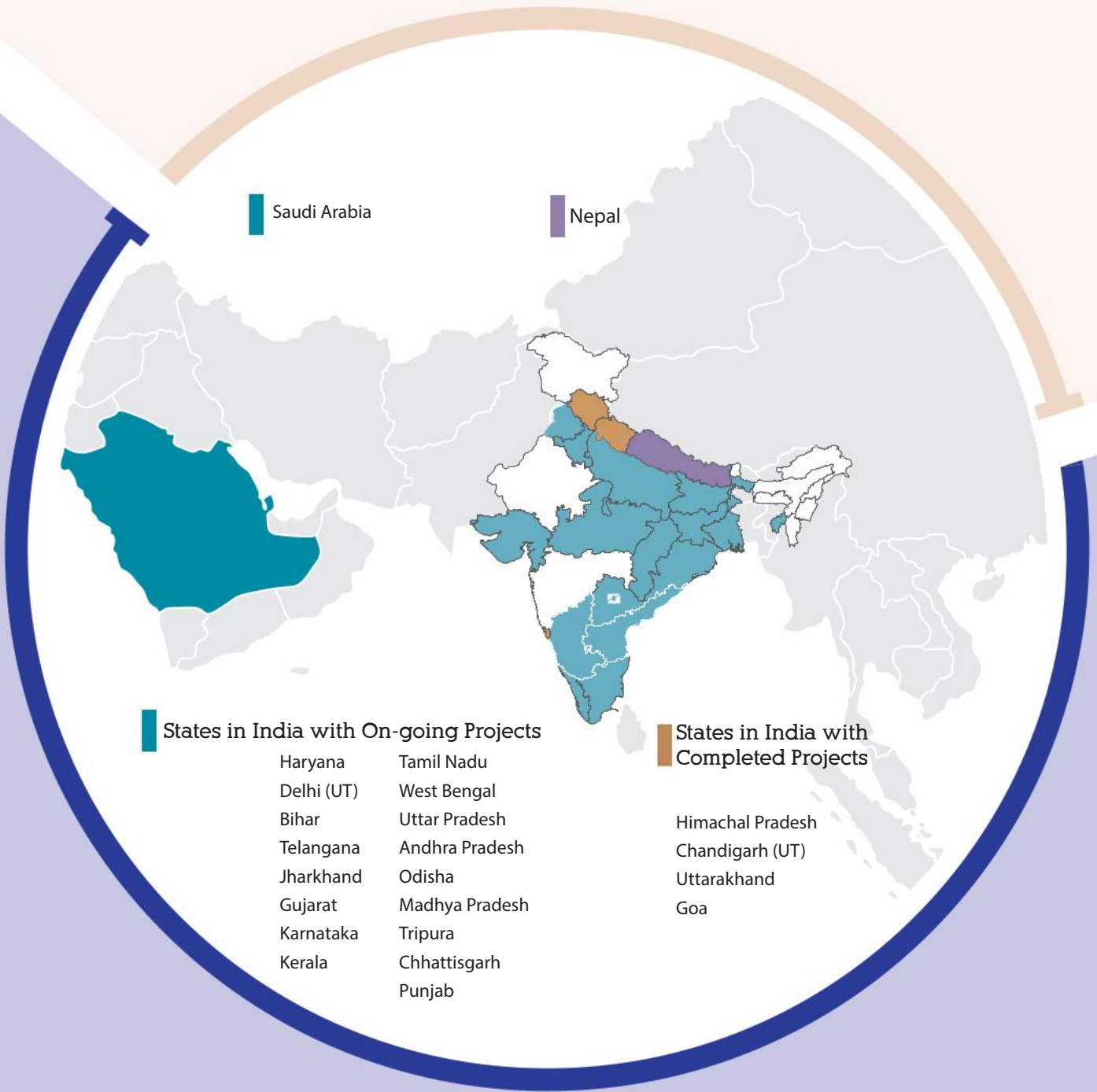
With a strong Pan-India presence we have cultivated an extensive geographic reach that empowers us with operational efficiencies, a competitive edge, and the ability to consistently deliver sustainable margins. Our customer-centric approach, grounded in a service-oriented ethos, has earned us the unwavering trust and reliance of numerous large-scale Public Sector undertakings.

Drawing on our robust technical expertise and streamlined business operations, we are dedicated to scaling up our operations and solidifying our presence in this dynamic sector. Throughout our impressive growth trajectory, we remain steadfast in our commitment to align our promises with exceptional performance, consistently surpassing expectations and setting new industry benchmarks.

Forward-looking Statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

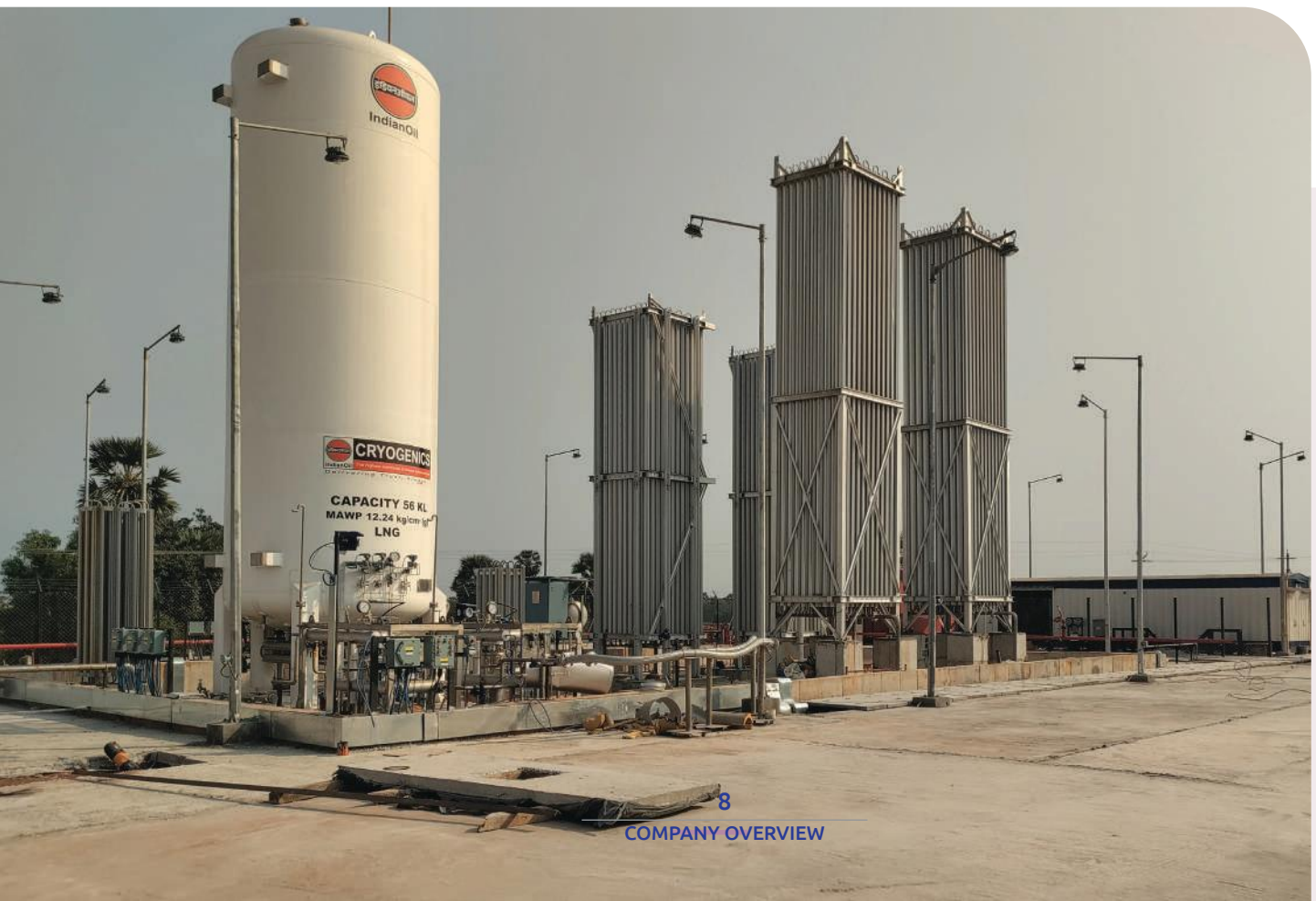
Our Footprint.



Our Vision.

To provide services

- ▶ With the highest level of workmanship and exemplary speed by continuously enhancing organizational skill through innovation and teamwork.
- ▶ With the highest quality of work along with adherence to the international standards of Health, Safety & Environment.
- ▶ With the highest levels of professionalism, integrity, honesty and fairness in our relationship with our stakeholders and employees.
- ▶ With remarkable planning and resource optimization in our pursuit of excellence.
- ▶ In new verticals and new geographical areas outside India.





Our Mission.

To provide the best services in the field of Oil and Gas pipeline infrastructure and thereby contribute to India's endeavour to emerge self-reliant and a leader in green fuel.



Visionary Leadership.



Sivasankara Parameswara Kurup Pillai

Chairman and Independent Director

Mr. Sivasankara Parameswara Kurup Pillai, our Chairman and Independent Director, has over 40 years of experience in Oil & Gas pipeline projects, including expertise in chemical plants, cross-country pipelines, and refineries. A visionary leader, he has played a crucial role in executing projects and shaping contracting companies across India and abroad. His insights strengthen our capabilities in project management and adherence to quality and safety, symbolizing our commitment to excellence and strategic governance.



Srinivasa Rao Gaddipati

Managing Director

Mr. Srinivasa Rao Gaddipati, Founder and Promoter of our company, has over three decades of experience in the oil and gas infrastructure business. His visionary leadership, profound technical expertise, and hands-on experience have been pivotal in shaping business strategies and driving growth. Actively overseeing daily operations and collaborating with senior management, Mr. Gaddipati's dedication to quality and innovation positions us as a leading player in the industry, inspiring our team to strive for excellence.



Likhitha Gaddipati

Whole-Time Director and Chief Financial Officer

Mrs. Likhitha Gaddipati, our company's Promoter, Whole-Time Director, and CFO, brings extensive experience in finance and project management. With educational credentials including a Master's from the Illinois Institute of Technology and professional experience with PricewaterhouseCoopers (PwC) & Uber Technologies Inc., she expertly manages our financial strategies and compliance. Her insights from technology-driven companies and strong financial acumen enhance our ability to innovate. Mrs. Likhitha's leadership significantly contributes to our growth, enabling us to navigate a dynamic business landscape.



Sri Lakshmi Gaddipati

Non-Executive Director

Mrs. Sri Lakshmi Gaddipati, a long-standing member of our organization, has been integral to our growth through her expertise in administration. She not only ensures smooth operations but also monitors the implementation of Corporate Social Responsibility (CSR) policies and evaluates key personnel performance. Her commitment, dedication, and valuable insights makes her an invaluable asset to our organization.



Venkata Sesha Talpa Sai Munupalle

Non-Executive Independent Director

Mr. Talpa Sai Venkata Sesha Munupalle, a distinguished finance professional, brings extensive experience and expertise to our team. With a Commerce degree from Andhra University and Fellow Membership at ICAI, he has worked with Hindustan Cables Ltd and HMT Bearings Ltd, retiring as Joint GM (Finance) in 2008. As a Chartered Accountant, his knowledge spans accounting, finance, budgeting, taxation, and audit. Mr. Munupalle's strategic financial management ensures our organization's sound financial health and supports decision-making for sustained growth.



Venkatram Arigapudi

Non-Executive Independent Director

Mr. Venkatram Arigapudi, an Agriculture graduate with 42 years of experience in agri-inputs marketing, contributes significantly to our organization in areas like public relations, business development, and team building. He has honed his management skills through esteemed institutions like ASCI and IIM and served as the National Sales Head for the Adventz Group. His deep industry understanding, exceptional leadership, and strategic approach have been pivotal in our growth, positioning our organization for success.



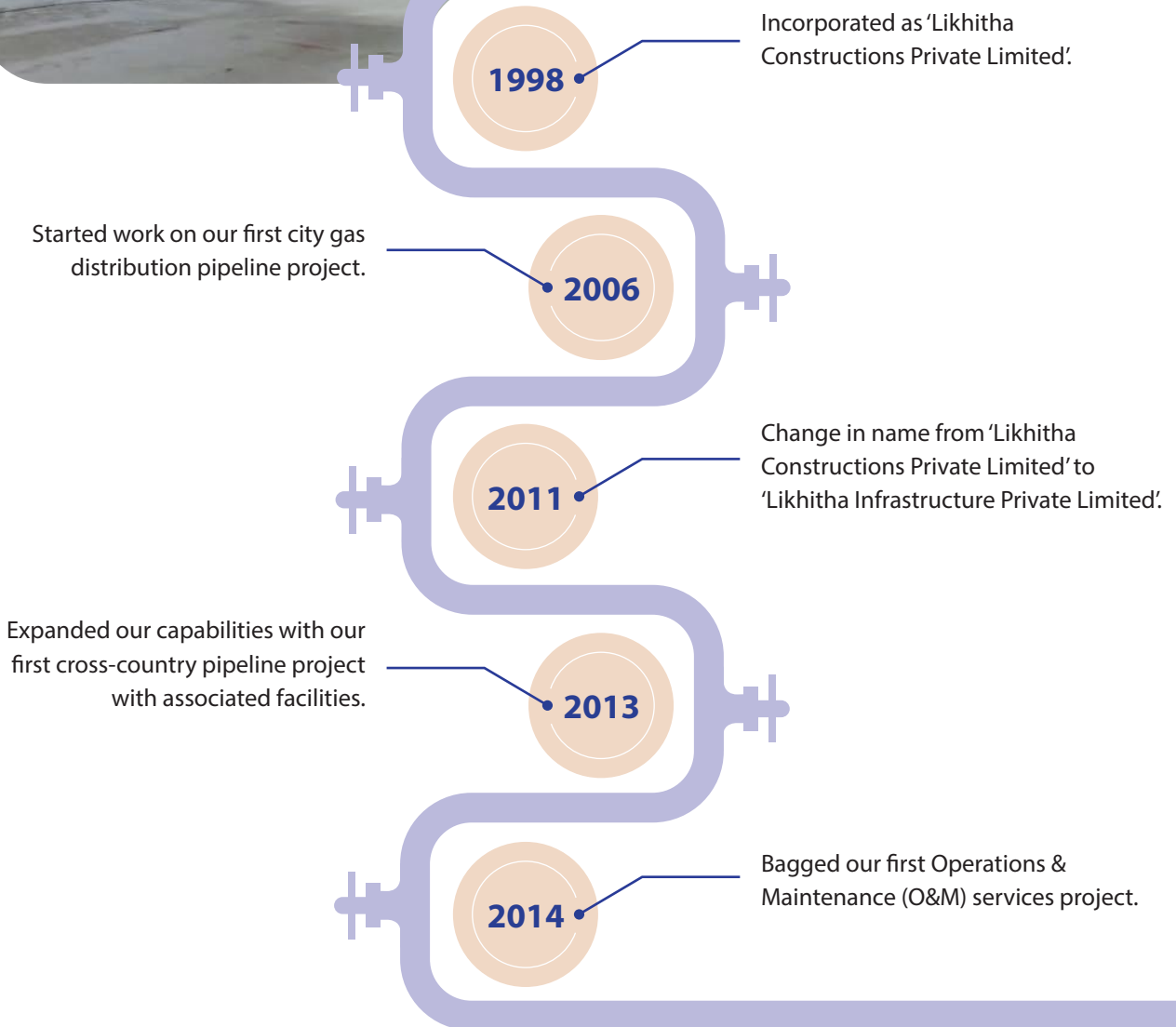
Jayashree Voruganty

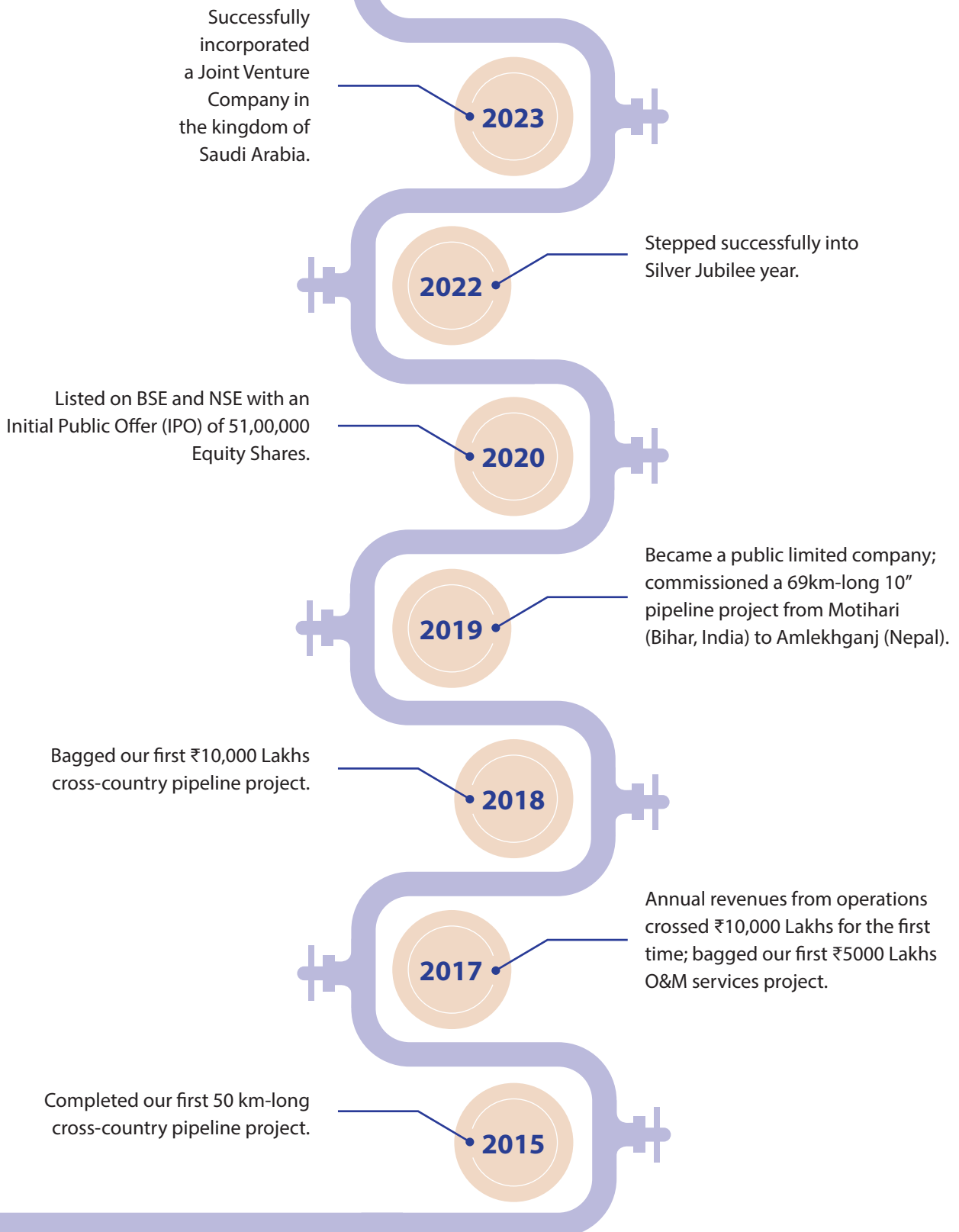
Non-Executive Independent Director

Ms. Jayashree Voruganty, a Chartered Accountant with 23 years of experience, specializes in Government Audits, GST, Taxation, and Accountancy. Her academic credentials include a PG Diploma from IIM (Ahmedabad), an MBA from XLRI, and ICAI-certified Forensic Accounting and Fraud Detection courses. Throughout her career, Ms. Voruganty's proficiency in complex financial matters, compliance, and strategic guidance has been instrumental. Her diverse skill set and continuous professional development bring invaluable expertise to our organization.



Our Achievements





Business Segments.

Our company is a prominent Oil & Gas Pipeline Infrastructure service provider in India, operating in three main segments: Pipeline Infrastructure (Cross-country Pipeline & City Gas Distribution Projects), Tankage & Terminal Projects and Operation & Maintenance (O&M) Services.

In Pipeline Infrastructure, we are the pioneers in laying networks and constructing associated facilities, with the distinction of executing the first trans-national Cross-country Pipeline Project connecting India to Nepal.

We ensure optimal performance with our skilled team by focusing on quality, efficiency, and customer satisfaction. We have established ourselves as a trusted partner in the industry, building enduring relationships with esteemed clients.



I. Pipeline Infrastructure



City Gas Distribution (CGD) Projects

City Gas Distribution (CGD) projects form an integral part of the business that involves transportation and distribution of Oil & Gas to consumers across domestic, commercial or industrial sector through a network of pipeline.

- ▶ Steel Pipeline ▶ MDPE Pipeline ▶ Last Mile Connectivity
- ▶ CNG Stations

Cross-country Pipeline Projects (CCP)

Cross-Country Pipeline Projects (CP) segment encompasses the development, execution, and safety of pipeline infrastructure across the nation. Specializing in the laying of carbon steel pipelines, we ensure safe and efficient oil and gas transportation, even over vast distances.

Our expertise extends to mechanical piping work, construction of civil works, integration of electrical, instrumentation, and telecom systems, as well as fire and gas detection works. By adhering to industry standards and prioritizing safety, efficiency, and reliability, we provide comprehensive solutions that make us a trusted partner in the seamless transportation of oil and gas.



II. Operation & Maintenance (O&M) Services

At Likhitha Infrastructure Limited, we extend our expertise beyond City Gas Distribution (CGD) projects to include comprehensive Operation & Maintenance (O&M) services for Oil & Gas Companies. Our O&M services focus on the meticulous management and maintenance of existing pipeline networks. This includes providing skilled manpower, executing emergency repairs, overhauling, and scheduled maintenance activities.

We prioritize safety, integrity, and efficiency, optimizing the performance and lifespan of the pipelines, minimizing disruptions, and ensuring a reliable natural gas supply. Our responsive and skilled approach ensures that our clients' operations run smoothly, reinforcing the overall reliability of their pipeline infrastructure.

III. Tankage Projects

Likhitha Infrastructure Limited is executing EPC Tankage project at NOCL, Amlekhganj, Nepal in association with IOCL. This project is termed MAPL Phase – II which is the continuation of the MAPL Phase-I project which was successfully finished by the company in 2019 as a separate tender.

Likhitha Infrastructure Limited is currently executing the Construction of Fuel depots including storage tanks, station Works (CSW) Mechanical, Electrical, Civil, and T&I works at NOC Terminal, (NEPAL) under MAPL Phase-II Project.





Our Clientele.



GAIL India Limited (GAIL)



GAIL Gas Limited (GGL)



Oil and Natural Gas Corporation (ONGC)



Hindustan Petroleum Corporation Limited (HPCL)



Indian Oil Corporation Limited (IOCL)



IHB Limited
(A consortium of India Oil Corporation, Hindustan Petroleum and Bharat Petroleum)



Numaligarh Refinery Limited



Indian Oil- Adani
Gas Private Limited
(IOAGPL)



Torrent Gas Private
Limited (TGPL)



Green Gas Limited
(GGL)



Indraprastha Gas
Limited (IGL)



Haryana City
Gas



Indradhanush Gas Grid
Limited (IGGL)



Bharat Petroleum
Corporation Limited
(BPCL)



Atlantic, Gulf &
Pacific (AG&P)



Avantika Gas
Limited

Performance Indicators of FY 2022-23 (Standalone).

Profit Before Tax
(PBT)
7,916.61
(₹ in Lakhs)

EBITDA
8,501.48
(₹ in Lakhs)

Net Profit
6,004.38
(₹ in Lakhs)

Net Cash used for
Investing Activities
2,435.83
(₹ in Lakhs)

Total Income
35,861.52
(₹ in Lakhs)

Earnings Per Share
- Basic & Diluted
15.22
(Face Value of ₹ 5/- each)

Net Cash from
Operating Activities
4,476.93
(₹ in Lakhs)

Awards and Recognition received during the financial year 2022-23



The Company was conferred with the Outstanding contribution towards PNG-Domestic work for the month of March 2023, from IOAGPL, Ernakulam GA



Received Outstanding Contribution for the month of August 2022, from IOAGPL, Ernakulam GA



Received Outstanding Contribution towards PNG-Domestic work for the month September 2022 from IOAGPL, Ernakulam GA



Likhitha Infrastructure Limited has received “Best Business Partner with Excellent Safety Management Practices” in mainline works in Paradip Somnathpur Holdia Pipeline Project during 2022-23.



Operational Highlights for FY 2022-23

Successfully completed three major projects

- Indian Oil Corporation Ltd (IOCL)-PHDPL Haldia Pump Station to Durgapur Delivery Station under Paradip-Haldia- Durgapur LPG Pipeline Aug Project, Group-C- Duttapur SV Station-**101 Km long-18" LPG pipeline**
- Indian Oil Corporation Ltd (IOCL)-Paradip pump station to IOCL PHBPL pump station via Somnathpur terminal under PSHPL Project, Group-A-Paradip to Kansana Bansa River Crossing-Approx. **Ch. 123 KM-long 18" Pipeline.**
- Gail (India) Ltd (GAIL)-Dobhi Durgapur - Haldia Pipeline Section A Under JHDBPL Project, Part-C: **12" x 121 Kms** Pipeline laying Works alongwith Superlines.

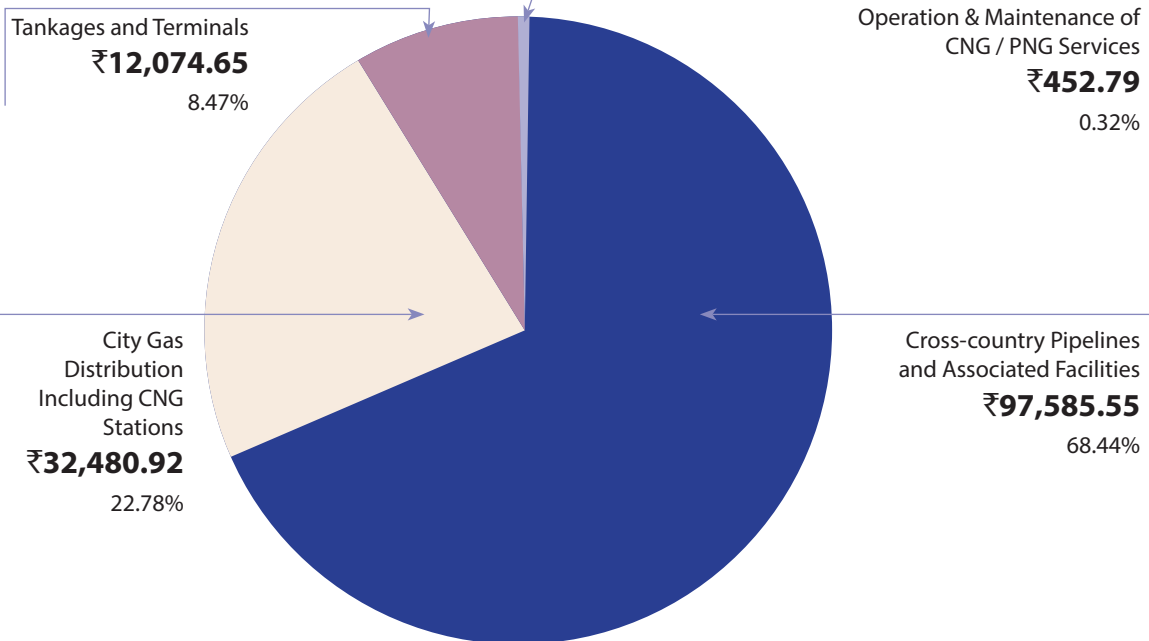
Received Major orders of Cross-country Pipeline and Tankage Projects

- Gail (India) Ltd (GAIL) - Angul Srikakulum Pipeline Project (Section-II): **12" x 150 Kms** Laying of NG Pipeline order worth **₹ 94.33 Crores** (Excl. GST)
- Gail (India) Ltd (GAIL)-Nagpur # Chhindwara - Jabalpur Pipeline (NCJPL), Part C of MNJPL Project (Section-II): **18" x 98 Kms** Laying & Construction of Steel Gas Pipeline and Terminals along with associated facilities order worth **₹82.81 Crores** (Excl. GST)
- Gail (India) Ltd (GAIL)- Nagpur Jharsuguda Section (Part-B) of MNJPL Project, Section-4: **18" x 125 Kms** Pipeline Laying and Associated works order worth **₹129.64 Crores** (Excl. GST)
- Hindustan Petroleum Corporation Ltd (HPCL)- BSPL Project: **10" x 90 Kms** laying Construction of Steel Pipeline along with Associated Facilities order worth **₹30.80 Crores** (Excl. GST)
- Numaligarh Refinery Limited (NRL)- Sonapur Hat to Numaligarh section (Part -A): **26" x 190 Kms** Pipeline Laying and SV/IP station works order worth **₹305.85 Crores** (Excl. GST)
- Indian Oil Corporation Ltd (IOCL) at Nepal - Construction of Fuel depots including Product Storage tanks, station Works (CSW) Mechanical, Electrical, Civil, T&I work at NOC Terminal, (NEPAL) under MAPL Phase-II Project Order worth **₹120.75 Crores**

Order Book

The Company's outstanding order book position is ₹1,42,593.92 Lakhs as on March 31, 2023, which includes ₹97,585.55 Lakhs from Cross-country pipelines and associated facilities, ₹32,480.92 Lakhs from City Gas Distribution including CNG Stations and ₹12,074.65 Lakhs from tankage & terminal projects thereby contributing of 99.68% to the total order book of the Company.

Order Book - Rs. 1,42,593.92 Lakhs



PRIORITIZING ENVIRONMENTAL, HEALTH AND SAFETY

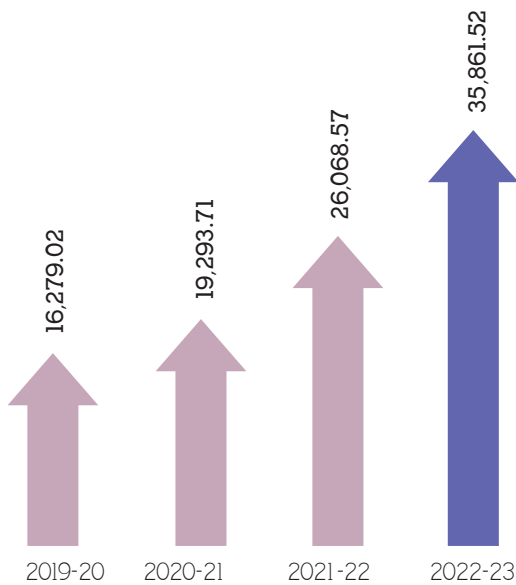
We are committed to providing a safe and positive working environments through continuous improving our EHS performance. We prioritize the health and safety of our employees by providing appropriate high standards of EHS trainings. Safety Officers constantly monitor and review security hazards in all areas of the company's operations and incorporate them into the company's HSE management system to mitigate security risks keep it as low as reasonably practicable (ALARP) and manage for continuous improvement. Tackle saving of resources and lessening environmental load through its business activities like lessening of wastes, promotion of recycling, reducing the use of hazardous materials, and safe disposal practices. Achieve environmental sustainability by reducing our environmental impact and our consumption resources. We encourage our suppliers and vendors to adopt safe, healthy, and environmentally responsible practices.



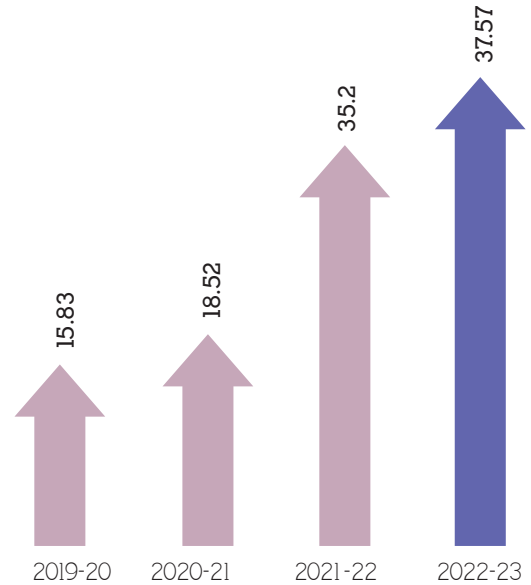
Additionally, we have adopted a policy on Integrated Management system (IMS) to ensure the well-being of our employees and established a robust management system that covers all aspects of safety and compliance with legal, regulatory, and safety requirements. We have implemented a comprehensive set of procedures, safety rules, and internationally recognized safety management systems across all our project sites. Adherence to these measures is mandatory for all employees and contractors, aiming for a workplace with zero incidents.

Performance Trends.

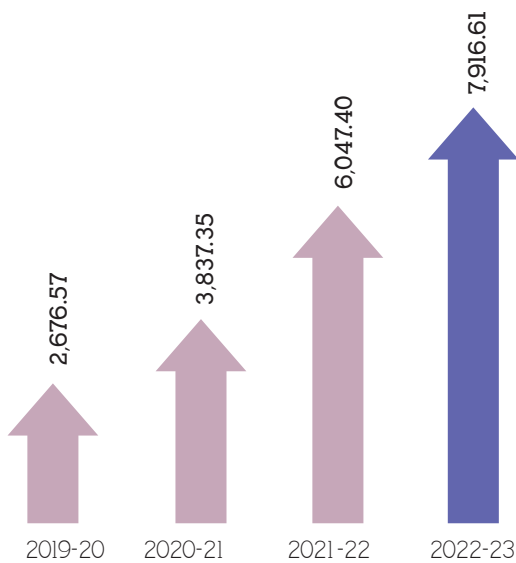
(Standalone)



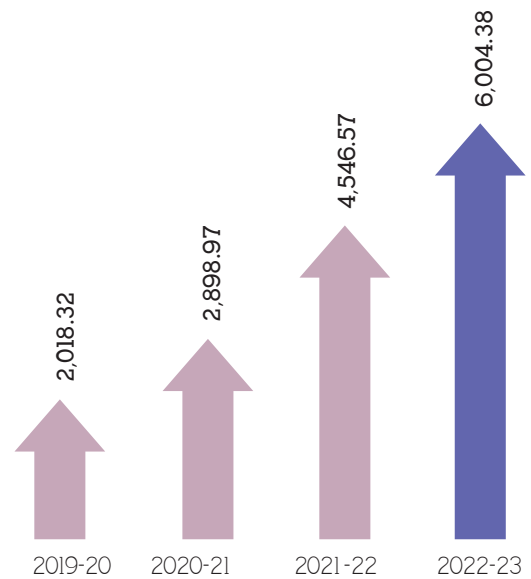
REVENUE
(₹ in Lakhs)



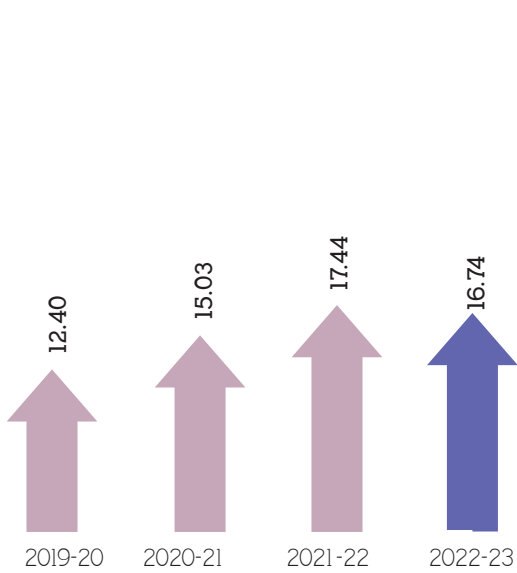
GROWTH IN REVENUE
(In %)



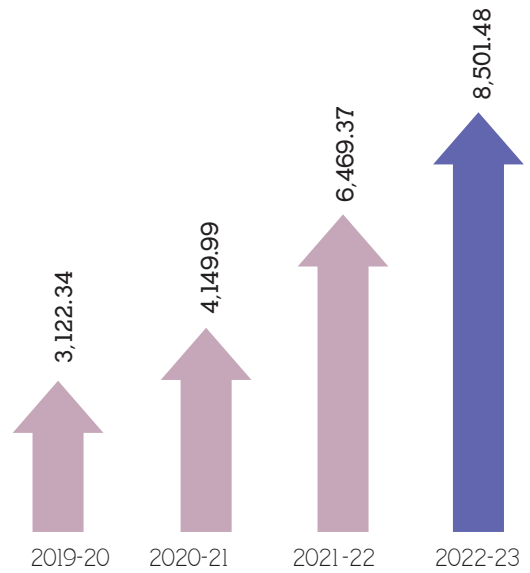
PBT
(₹ in Lakhs)



PROFIT FOR THE YEAR
(₹ in Lakhs)



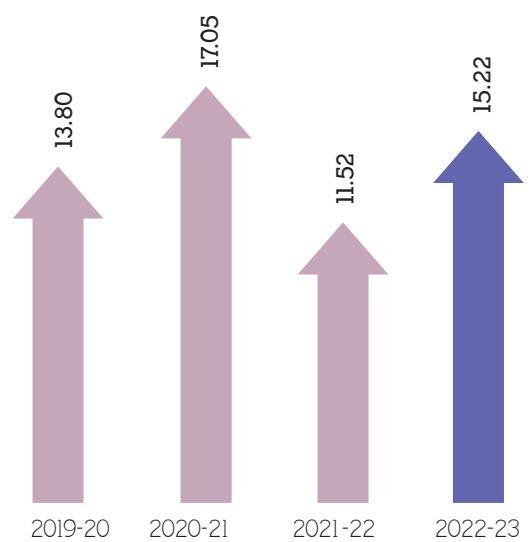
PAT MARGIN
(In %)



EBITDA
(₹ in Lakhs)



ROCE
(In %)



EARNINGS PER EQUITY SHARE
(₹)

Note: During the year under review, the Company has been subdivided its equity shares of 1 (One) equity share of ₹10/- (Rupees Ten Only) each into 2 (Two) equity shares of ₹5/- (Rupees Five Only) each.

Our Employees.

At Likhitha Infrastructure Limited, we understand that our employees form the very foundation of our success. By cultivating a customer-focused, future-ready workforce, we enable our team to excel in an increasingly competitive business environment. We've fostered an atmosphere that encourages significant responsibility, informed decision-making, and aligns rewards with performance.

Our firm commitment to talent management is reflected in our investment in comprehensive training initiatives and leadership development across all organizational levels. Through systematic learning and development planning, we identify training needs, offer relevant programs, and assess their impact, leading to increased productivity and employee satisfaction.

By prioritizing the well-being, growth, and continuous learning of our employees, we strive to build a highly skilled, motivated workforce that adapts to evolving industry trends and delivers outstanding results.



35+ Training Programs



MATERIALITY ASSESSMENT

Likhitha infrastructure Limited recognizes the importance of conducting materiality assessments, which forms a core component of our Annual Report and enable us to gain understanding of the relative importance of specific environmental, social, and governance issues and their potential impact on value creation. Our business sustainability depends on the effective management of material topics since it guides our strategic planning and management priorities towards creating long-term sustainable value for our stakeholders. The Company has identified the risks and opportunities around the identified material topics and disclosed the mitigation measures around the identified risks in the Business Responsibility and Sustainability Report ('BRSR') forming part of the Annual Report.

- Phase-I – Identification of Stakeholders & Potential Material Topics
- Phase-II – Prioritization of Material Topics
- Phase-III – Stakeholder Engagement
- Phase-IV – Materiality Survey Analysis & Review
- Phase-V – Materiality Matrix Development & Reporting

ENHANCING VALUE ACROSS THE SIX CAPITALS

Financial Capital plays a crucial role in generating, deploying and accessing other forms of capital. It includes equity, reserves, debt and cashflows to sustain our operations and facilitates our ability to make new investments and enhance returns.

Total Equity – ₹ **1972.50 lakhs** PAT – ₹ **6004.38 Lakhs**

Financial Capital



Manufactured Capital



Manufactured Capital refers to the physical infrastructure, tools and other human made possessions that are used in business operations and other economic endeavours.

Human Capital encompasses our people with an innovative mindset and diverse abilities that helps us deliver on our desired goals. Our inclusive culture and practices help foster critical skillsets, leadership development, safety and the wellbeing of our employees.

Training Programmes – **35+**

Human Capital



Social & Relationship Capital



Our multi-stakeholder approach helps play a key role in enhancing our ties with communities around our operations and foster long-term stakeholder value.

CSR Contribution – **83.75 lakhs**

Vendor Partners – **3000+**

In Natural Capital, our constant focus remains on minimizing our environmental footprint with responsible business practices.

Energy Consumption – **91934.6 MJ**

Water Consumption – **36,045 Kilo Litres**

Natural Capital



Intellectual Capital



Intellectual Capital constitutes our industry proficiency, experience, Knowledge, ability to innovate and have a competitive advantage that help us deliver operational excellence, transition towards new-age business and become future-ready.



GOVERNANCE

Board of Directors - Responsible for ensuring long-term business strategy, enhancing shareholders' value, and overseeing the interest of all stakeholders

Board Committees - Oversees specialized areas of operations, and provides recommendation based on expertise

Management - Implement policies and procedures, manages everyday operations



POLICIES

Our policies serve as an enabling framework for realizing our governance vision and ensuring transparency within and outside our organization.

- ▶ Nomination and Remuneration Policy
- ▶ Policy on prevention of Sexual Harassment
- ▶ Whistle Blower Policy
- ▶ Risk Assessment and Management Policy
- ▶ Policy on Preservation of Documents
- ▶ Materiality Policy
- ▶ Insider Trading Policy
- ▶ Code of Business Conduct and Ethics
- ▶ Dividend Distribution Policy
- ▶ Policy on Materiality of Related Party Transactions
- ▶ Grievance Redressal Mechanism
- ▶ Terms & Conditions for Appointment of Independent Director
- ▶ CSR Policy



TRANSPARENCY AND ACCOUNTABILITY

We have a comprehensive reporting approach, which demonstrates an unwavering dedication to providing our stakeholders with a transparent and holistic view of our performance. We carry out periodic internal as well as external audits to ensure the efficacy of our internal control systems.



RESPONSIBLE BUSINESS OPERATIONS

Quality is paramount to us and a key differentiator for the Company. We ensure providing highest quality services through stringent quality control checks and measures. Adherence to highest quality standards has helped us meet the national and international quality assurance standards, enabling us to maintain long-standing relationships with customers.

Along with this, we strive to bring a positive impact in the communities where we operate through our wide-ranging social welfare activities. On the CSR front, our efforts are aimed at improving the livelihoods of the marginalized communities in which we operate. We remain committed to make meaningful change to society with a focus on improving lives and ensuring upliftment of communities.



LEARNING AND DEVELOPMENT

At Likhitha Infrastructure Limited, we recognize the significance of the Human Resources department as an integral part of our business. Our primary objective is to maximise employee productivity. To achieve this, we follow various modes of knowledge sharing sessions that revolve around effective employee management, enhancing individual and organisational performance, career development, technology implementation and integration, as well as talent and capability building. We ensure that employees are updated on their skills so as to improve their job performance. We also leverage both internal and external resources for these learning initiatives. By incorporating learning as a continuous process, we meticulously plan our training calendar to focus on various aspects of skill development. In the dynamic nature of competition and the business environment, it is crucial for us to empower our employees with learning opportunities and assist them in developing new skills.

CORPORATE INFORMATION

Board of Directors

Mr. Sivasankara Parameswara Kurup Pillai
Chairman & Non-Executive Independent Director

Mr. Srinivasa Rao Gaddipati
Promoter and Managing Director

Mrs. Likhitha Gaddipati
Promoter and Whole Time Director

Mrs. Sri Lakshmi Gaddipati
Non-Executive Director

Mr. Venkata Sesha Talpa Sai Munupalle
Non-Executive Independent Director

Mr. Venkatram Arigapudi
Non-Executive Independent Director

Ms. Jayashree Voruganty
Non-Executive Independent Director

Key Managerial Personnel

Mr. Sudhanshu Sekhar
Chief Executive Officer

Mrs. Likhitha Gaddipati
Chief Financial Officer

Ms. Pallavi Yerragonda
Company Secretary and Compliance Officer

Registered Office

8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana-500 073.

Statutory Auditors

NSVR & Associates LLP
Chartered Accountants, Hyderabad.

Internal Auditors

M/s. Mukul Tyagi & Associates,
Chartered Accountants, New Delhi.

Secretarial Auditors

M/s. VCAN & Associates
Practicing Company Secretaries, Hyderabad.

Registrars & Share Transfer Agents

Bigshare Services Private Limited
306, Right Wing, 3rd Floor, Amrutha Ville,
Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road,
Hyderabad- 500 082.

Contact Information

Contact Number: 040 2375 2657

e-mail: cs@likhitha.in

Website Link: <http://likhitha.co.in/>

COMMITTEES OF THE BOARD

Audit Committee

Mr. Venkata Sesha Talpa Sai Munupalle, Chairman
Mr. Srinivasa Rao Gaddipati, Member
Mr. Sivasankara Parameswara Kurup Pillai, Member

Stakeholders' Relationship Committee

Mr. Sivasankara Parameswara Kurup Pillai, Chairman
Mrs. Sri Lakshmi Gaddipati, Member
Mr. Srinivasa Rao Gaddipati, Member

Risk Management Committee

Mr. Srinivasa Rao Gaddipati, Chairman
Ms. Jayashree Voruganty, Member
Mr. Sivasankara Parameswara Kurup Pillai, Member
Mr. Sudhanshu Shekhar, Member
Mrs. Likhitha Gaddipati, Member

Nomination and Remuneration Committee

Mr. Venkatram Arigapudi, Chairman
Mr. Sivasankara Parameswara Kurup Pillai, Member
Mr. Venkata Sesha Talpa Sai Munupalle, Member

Corporate Social Responsibility Committee

Mr. Srinivasa Rao Gaddipati, Chairman
Mrs. Sri Lakshmi Gaddipati, Member
Mr. Sivasankara Parameswara Kurup Pillai, Member

MANAGEMENT DISCUSSION ANALYSIS

Industry Structure and Development

Indian Economy

The Indian economy demonstrated robust growth in the fiscal year 2022-23, with a GDP expansion of 7.2%. This figure surpassed both the second estimate of 7% and the government's forecast of 7%. It also outperformed the 8.7% growth achieved in the previous financial year. The driving forces behind India's economic growth were private consumption and capital formation, which not only contributed to the expansion but also facilitated job creation.

India, currently the third-largest economy in the world based on Purchasing Power Parity (PPP) and the fifth-largest in terms of market exchange rates, has reaffirmed its belief in its economic resilience. Despite internal and external challenges, such as mitigating external imbalances resulting from the Russian-Ukraine conflict, the country has managed to sustain its growth momentum.

As a result, manufacturing and investment activities gained momentum. While export growth moderated, the rebound in domestic consumption, particularly in contact-intensive services such as trade, hospitality, and transportation, bolstered India's economic progress.

Furthermore, construction activity witnessed a significant increase in FY23, driven by the substantial capital budget (Capex) allocated by the central government and its public sector enterprises. Notably, direct tax revenue collections remained buoyant, along with GST collections, indicating a revival in private-sector investment.

Despite these global challenges, the Indian economy has admirably confronted the adversities brought about by the pandemic, achieving a complete recovery ahead of numerous other nations. As we look ahead to the forthcoming fiscal year, FY2023-24, India is poised to reclaim its pre-pandemic growth trajectory, reaffirming its resilience and potential for sustained economic expansion.

Outlook

India's recovery from the pandemic has been relatively swift, and the upcoming year's growth will be supported by robust domestic demand and an increase in capital investment. Encouragingly, there are early indications of a new cycle of private sector capital formation, which compensates for the cautious approach in private sector capital expenditure. To stimulate growth, the government has significantly raised capital expenditure, as noted in the Economic Survey 2022-2023. Budgeted capital expenditure has risen 2.7 times over the last seven years, from FY16 to FY23, reinvigorating the capital expenditure cycle.

In the Union Budget 2023-24, there has been a substantial 33% increase in the capital investment outlay for the third consecutive year, reaching ₹10 lakh crore, equivalent to 3.3% of GDP. This figure is nearly three times the outlay recorded in 2019-20. Structural reforms, including the implementation of the Goods and Services Tax (GST) and the Insolvency and Bankruptcy Code, have enhanced the efficiency and transparency of the economy, ensuring financial discipline and improved compliance.

According to the International Monetary Fund (IMF), India is projected to grow by 5.9% in FY 2023-24 and maintain an average growth rate of 6.1% over the next five years.

Strong domestic demand, coupled with high commodity prices, may lead to an increase in India's total import bill and potentially widen the current account deficit (CAD). These factors may be exacerbated by a decline in export growth due to weakened global demand, putting pressure on the Indian currency and potentially leading to depreciation. Furthermore, persistent inflation may prolong the tightening monetary policy, resulting in higher borrowing costs for the economy. Consequently, global growth in FY24 is expected to be modest, which will inevitably impact the Indian economy. However, the possibility of low oil prices and a potentially better-than-projected CAD provide some positive factors for consideration.

Industry Overview

Depletion of easily accessible onshore oil and gas reserves has led exploration and production companies to seek opportunities in less explored areas. Deepwater and ultra-deepwater oil and gas wells have garnered attention due to their vast deposits and untapped potential. With the increasing prices of crude oil, the future of these projects appears promising. Consequently, the expansion of exploration and production activities will drive market growth in the foreseeable future.

The market for oil and gas pipelines is benefiting from advancements in pipeline inspection technology. One notable advancement is the use of intelligent drone vehicles, which are integrated with the Internet of Things. These drones provide a cost-effective solution for visual pipeline inspection, contributing to the overall improvement of pipeline inspection capabilities.

The demand for natural gas has experienced a significant increase, primarily driven by its growing use in various industries such as power generation and transportation. This upward trend is expected to continue in the coming years, leading to substantial development in gas pipeline infrastructure. By 2030, natural gas is projected to witness substantial growth among all fuel types, driven by the environmental benefits it offers and the pursuit of energy security in regions like the Middle East, Africa, and the Asia-Pacific.

Government Initiatives for Gas Pipeline Infrastructure

As part of its commitment to address climate change in COP21, the Government of India has pledged to reduce carbon emissions by 45 percent by 2030. However, balancing the need to meet the energy demands of a billion people while mitigating environmental pollution poses a significant challenge. In light of this, the government is actively promoting the transition to a gas-based economy.

Recognizing the importance of shifting towards a gas-based economy, the Government of India has prioritized this transition. With the Indian economy expected to grow five-fold by 2040, the focus is to more than double the share of natural gas in India's energy mix. To achieve this objective, the government is heavily emphasizing the development of a robust city gas distribution infrastructure.

The Petroleum and Natural Gas Regulatory Board (PNGRB) has expanded the number of Geographical Areas (GAs) to 293, encompassing 617 districts in India, which cover 96% of the Indian population and 86% of the country's area. The concluded bidding rounds for city gas distribution projects are estimated to attract investments of approximately Rs 1.2 lakhs crore.

A gas-based economy has been identified as crucial for achieving Atmanirbhar Bharat (self-reliant India) and a lot of work is being done on 'One Nation, One Gas Grid'. Infrastructure development, coupled with market reforms, presents significant potential for increased natural gas utilization across various sectors in India. The government of India has set a target to expand the gas pipeline infrastructure to 34,500 kilometers by 2024-25. Furthermore, there are plans to connect all states with the trunk natural gas pipeline network by 2027. As of December 2022, the operational gas pipeline network in the country spanned 22,335 kilometers.

In the Union Budget for 2023, the government has allocated Rs 35,000 crore for priority capital investments aimed at transitioning to green energy, achieving long-term net-zero goals, and ensuring energy security. Additionally, Rs 10,000 crore has been allocated to compressed biogas plants. As part of its global climate change commitments made in COP21, the government is committed to reducing carbon emissions by 45% by 2030. The government has also taken significant steps to facilitate the transition to a gas-based economy. Atmanirbhar Bharat has identified this as a priority and is promoting market-driven incentives and policies to encourage relevant initiatives.

With various indicators pointing towards India emerging as a \$5 trillion economy within the next five years, and the objective of becoming the world's third-largest economy, efforts are underway to at least double the natural gas component in the overall energy mix. Consequently, there is a strong emphasis on developing a robust city gas distribution network across the country.

The Government of India is actively implementing initiatives to support the development of gas pipeline infrastructure. These efforts are driven by the commitment to address climate change, promote energy security, and pave the way for a sustainable and self-reliant future.

Key Drivers of Oil and Gas Pipeline Market

The oil and gas pipeline market is projected to witness substantial growth, with an expected increase from USD 27.3 billion in 2023 to USD 41.9 billion by 2032. This reflects a compound annual growth rate (CAGR) of 5.50% during the forecast period of 2023-2032. The key drivers contributing to market growth include the growing demand for pipelines to transport oil and gas, as well as the increasing utilization of renewable energy sources.

The market for oil, gas, and natural gas liquids (NGL) pipelines is anticipated to experience rapid expansion until 2030. The shift towards gas-based power plants and the rising demand for natural gas liquids like propylene and ethylene are major factors motivating investments in infrastructure development. To ensure the smooth operation of oil and gas pipelines, the incorporation of advanced security technologies and preventive measures against disruptions will further enhance the industry's statistics, making operations secure, cost-effective, and efficient.

Opportunities Ahead – Advantage India

India, as the third-largest energy consumer globally, has a strong correlation between its economic growth and energy demand, particularly in the oil and gas sector. This makes the sector highly attractive and conducive to investment, leading to expectations of robust growth. In fact, the upcoming period is often referred to as a "Gas-based Economy" in the Indian context.

Infrastructure development, especially the establishment of a gas pipeline grid across the country, has been a major focus area. In February 2021, Prime Minister Narendra Modi announced a plan to invest ₹7.5 trillion in oil and gas infrastructure over the next five years. The goal is to create a national gas grid, and currently, authorization has been given for a 35,000 km natural gas pipeline network. Of this, 20,238 km is operational as of September 2021, and 14,930 km is under development.

India's per capita consumption of natural gas is relatively low, at around 29 standard cubic meters (SCM), compared to the global average of 363 SCM. Recognizing the benefits of natural gas and the need to increase its share in India's primary energy mix, which currently stands at 6.2%, the government has expressed its commitment to raising the gas share to 15% by 2030. This commitment is supported by various policy directives and regulatory changes to facilitate the achievement of this goal.

Significant work is underway to develop the PNG/CNG infrastructure across India, including the laying of gas pipelines. An investment of ₹88,000 crore is allocated for pipeline infrastructure development, utilizing methods such as Horizontal Directional Drilling (HDD) and the "Open Trench" approach. The demand for HDD machines is high as leading EPC pipeline contractors undertake large-scale projects to develop gas pipeline infrastructure in more than 400 cities across the country. These contractors are actively contributing to the development of the gas pipeline infrastructure in India.

Challenges Ahead

Stakeholders in the oil and gas industry recognize the importance of diversifying India's energy sources to sustain its growth trajectory. To support the transition to a gas-based economy, it is crucial to establish a robust infrastructure. Currently, India's gas pipeline infrastructure spans 22,000 km, with a target of reaching 35,000 km in the next five years.

The recent Ukraine crisis has underscored the significance of energy security, prompting governments to prioritize the secure supply of gas at affordable prices.

Despite government interventions, the exploration and production sector has not attracted significant foreign direct investment (FDI) participation, except for the involvement of a few companies. To encourage greater investment, the government needs to ensure that gas is provided to City Gas Distribution companies at affordable rates, enabling them to achieve reasonable profit margins.

Company Overview

The Company is a prominent service provider specializing in oil and gas pipeline infrastructure. Our primary focus revolves around laying extensive pipeline networks, constructing associated facilities, and providing

comprehensive operations and maintenance services to oil and gas companies throughout India. With a wide-ranging presence, we operate in over 19 states and 2 union territories and Nepal. The Company has successfully expanded its global footprint into new geographical areas by incorporating a Joint Venture Company in the kingdom of Saudi Arabia in 2023.

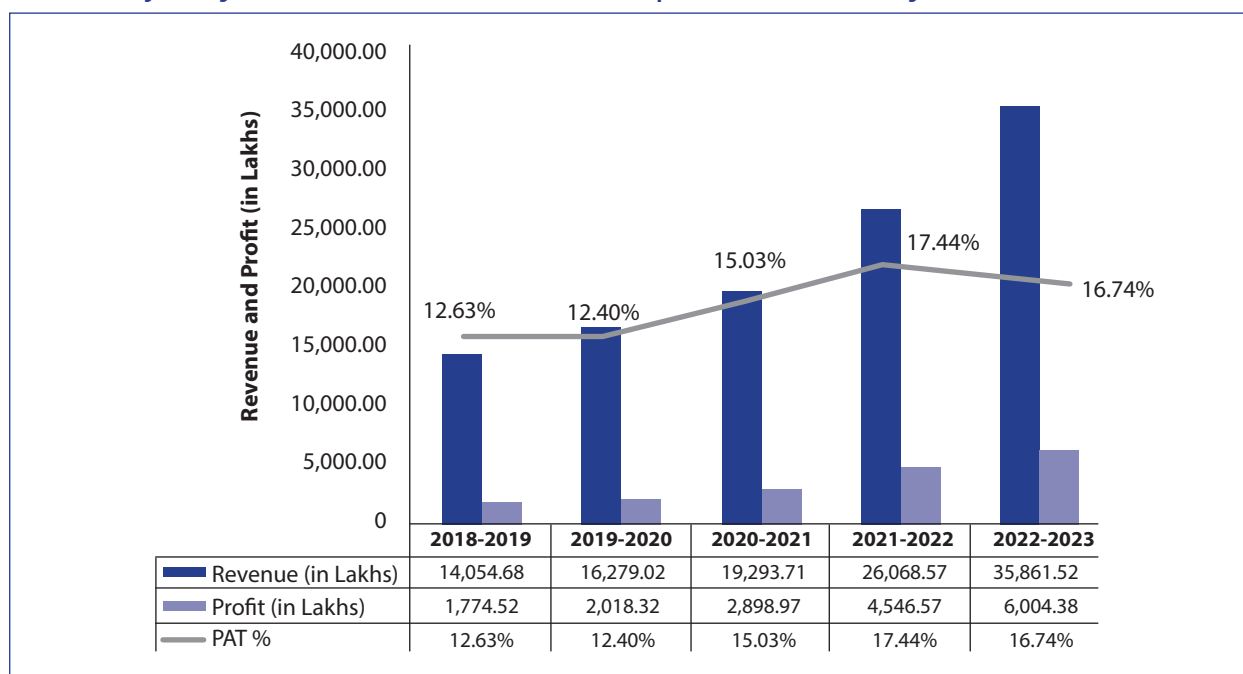
we have achieved remarkable milestones, successfully completing numerous projects encompassing more than 1500+ kms of oil and gas pipelines. These projects include the installation of both steel and medium-density polyethylene (MDPE) networks. Currently, we are actively involved in ongoing projects, having laid approximately 1000+ kms of oil and gas pipelines. Our company prides itself on a stellar track record of executing projects in a timely manner, ensuring high-quality standards, and satisfying our clients.

In 2019, we accomplished a significant feat by executing the first trans-national cross-country pipeline of South-East Asia, connecting India to Nepal for the supply of petroleum products. This achievement further solidified our reputation as an industry leader. With a robust client base consisting of prominent gas distribution companies in India, including both private and public entities, we have secured a strong order book. Our commitment to excellence is evidenced by our ISO 9001:2015 certification awarded by International Certification Services Pvt Ltd for our Quality Management system. This certification recognizes our expertise in designing and constructing cross-country pipelines, city gas pipelines, and civil constructions.

Our company is guided by a highly skilled and experienced management team. Their collective knowledge spans technical, operational, and business development aspects of the industry. This expertise empowers us to capitalize on existing market opportunities while remaining well-positioned for future growth.

At the helm of the company is Mr. Srinivasa Rao Gaddipati, a first-generation entrepreneur with nearly three decades of technical experience. Co-promoting the company alongside him is his daughter, Mrs. Likhitha Gaddipati.

Growth Trajectory and Financial Performance over a period of 5 financial years



SWOT Analysis

Strengths

- High Revenue and Profit Growth with High Return on Capital Deployed (ROCE) and Low PE ratio
- Company with low debt

- Annual Net Profits improving for last 2 years
- Book Value per share Improving for last 2 years
- Company with Zero Promoter Pledge

Weaknesses

- Availability of skilled technical manpower for projects
- Inflation

Opportunities

- Expansion of the business based on new Government initiatives
- Potential global expansion of the company

Threats

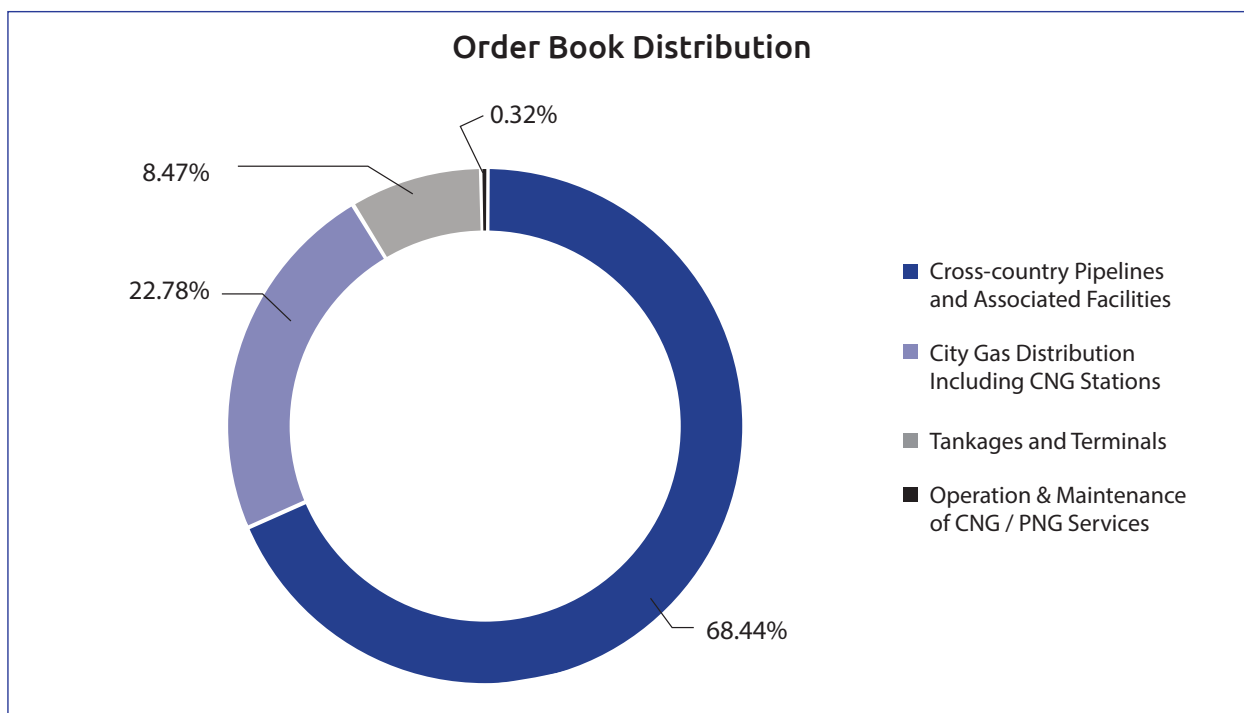
- Increase in competitive bids for procuring the projects
- Any future pandemic lock-down extensions would affect

Operational Highlights

Order Book

The Company's outstanding order book position is ₹1,42,593.92 Lakhs as on March 31, 2023, which includes ₹97,585.55 Lakhs from Cross-country pipelines and associated facilities, ₹32,480.92 Lakhs from City Gas Distribution including CNG Stations, ₹452.79 Lakhs from Operation & Maintenance of CNG / PNG services and ₹12,074.65 Lakhs from tankage projects, thereby increase in growth of order book by 28.67% as compared to the previous financial year ended on March 31, 2022.

Order Book Distribution Chart to be provided percentages



Management Outlook

The Company is one of the leading companies in its industry space with over 25 years of experience, presently working with major Oil & Gas companies across India. The Company is planning to expand the capacity to execute work of laying Oil & Gas pipelines above 400 kilometers per year. In view of the PNGRB (Petroleum and Natural Gas Regulatory Board) expansion plan, the Company is gearing up to increase its presence across the country.

Future Outlook

Our Company is currently executing tankage projects for IOCL and NOCL in Nepal and expects to bid on more tankage projects in the future. Additionally, the Company is exploring opportunities in the Middle East, Africa, and other similar countries where there is a significant demand for pipeline infrastructure companies.

To further expand its presence, Likhitha Infrastructure Limited has registered a Joint Venture in the Kingdom of Saudi Arabia and is looking forward to bidding on and executing projects in the region.

Risk Management

The company operates in a dynamic environment and is exposed to a variety of risks that can affect the business continuity. The Company's risk management assessments, policies, and processes are established to identify, analyze and monitor the risks that might occur. The policies and company activities are reviewed regularly by the Board of Directors, Risk Management Committee, and Audit Committee according to the changes in market conditions.

Risks	Description	Mitigation
Occupational Health and Safety	Occupational Health and Safety involves safety for not only people but also the environment. It is important for companies to make their operations safe and prevent any harm to the people and environment. Any mishandling of safety-related parameters can lead to a negative on the health and environment.	To address the risks associated with employee health and safety, the company is implementing the following approach: Risk: Safety Training and Education: Providing comprehensive safety training programs to employees to ensure they have the necessary knowledge and skills to perform their tasks safely. This includes regular safety briefings, hazard identification, and emergency response training with a goal of zero accidents. Safety Equipment and Infrastructure: Investing in appropriate safety equipment, protective gear, and infrastructure to minimize the risk of accidents and injuries. This includes regular maintenance and inspections of machinery and equipment to ensure they are in safe working condition.
Human Resource Risk	One of the fundamental value of the Company is to Respect human rights. Compliance with the human rights laws and regulations is critical for the company. Failing to do so can lead to legal consequences and damage the reputation and brand image of the company.	The company is committed to cultivating an empathetic positive culture. This dedication is reflected in the company's various corporate policies, which include the Whistle Blower Policy, policy on prohibition of Sexual Harassment, Code of Business Conduct and ethics. Furthermore, the company is actively implementing various initiatives to support this culture, such as conducting Training programs to ensure awareness and compliance with company policies, fostering a diverse and inclusive work environment, increasing women's representation in senior leadership positions and promoting their professional growth and advancement. The Company has adequate resources on permanent basis and would constantly scale resources based on the requirements of the projects from time to time.
Competition risk	The Company might face competitive risks from other players in the market depending on the size, nature, and complexity of the project.	Technical and financial qualification of the Company would be one of the major criteria in determining the eligibility for the project. The Company is constantly enhancing technical and financial aspects along with performance, quality, timely completion of the projects and technical qualifications which provides edge over competitors.

Risks	Description	Mitigation
Regulatory regime	The Complex nature of infrastructure projects includes interference with various regulators/ authorities throughout the project life cycle, making them especially vulnerable to regulatory action. Failure to comply with these requirements may result in liability.	The regulatory compliance such as site permissions, clearances from the Governments, local bodies, and other such associated compliance responsibilities will be on the client. The Company also has a regulatory compliance review mechanism in place through which the Company reviews the applicability of laws and regulations and complies on a real-time basis.
Liquidity Risk	Liquidity risk is that the Company might be unable to meet its financial obligations.	The Company has strong financial background through which it meets its financial requirements on timely basis. Management regularly reviews the financial obligations and ensures to meet them in time.
Data privacy and security	Loss of sensitive and confidential information and impact on the reputation of the Company.	The company has mapped possible areas of such breaches and have implemented corrective measures through employee training on cybersecurity awareness, regular security assessments, incident response plans and essential protocols for data storage, backup, retrieval, access, and other important activities are established and followed on regular basis.

Internal Controls and its adequacy

The Company has strong internal control procedures commensurate with its size and operations. The internal control system ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorized, recorded, and reported correctly.

The Company's internal control systems are further supplemented to internal audit which carries out extensive audits throughout the year, across all functional areas, and submits its reports to Management and Audit Committee about the compliance with internal controls and efficiency and effectiveness of operations and key processes risks.

The Company has clearly laid down policies, guidelines, and procedures which form part of its internal control system. The Company's internal control system is designed to ensure management efficiency, measurability and verifiability, reliability of accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets. This is to timely identify and manage the Company's risks (operational, compliance-related, economic and financial).

The Audit Committee of the Company consists of independent directors who possess expert knowledge and vast experience in the field of their area of operations. They periodically review accounting records and various statements prepared by the Accounts Department. They advise the senior management of the Company for any precautionary steps to be taken as required from time to time. During the year, the Audit Committee reviewed the internal control mechanisms of the Company and initiated necessary follow-up actions thereon.

FINANCIAL HIGHLIGHTS

Revenues

Revenue from the operations increased by 36.41% in FY 2022-23 recording ₹35076.61 Lakhs against ₹25713.67 Lakhs in FY 2021-22 on standalone basis.

Revenue from the operations increased by 41.89% in FY 2022-23 recording ₹36495.50 Lakhs against ₹25721.17 Lakhs in FY 2021-22 on consolidated basis.

Profits

EBITDA increased by 31.41% in FY 2022-23 recording ₹8501.48 Lakhs against ₹6469.37 Lakhs in

FY 2021-22 on standalone basis. EBIDTA increased by 32.89% in FY 2022-23 recording ₹8730.80 Lakhs against ₹6570.06 Lakhs in FY 2021-22 on consolidated basis.

Net profit after tax increased by 32.06% in FY 2022-23 recording ₹6004.38 Lakhs against ₹4546.57 Lakhs in FY 2021-22 on standalone basis. Net profit after tax increased by 30.73% in FY 2022-23 recording ₹6029.68 Lakhs against ₹4612.07 Lakhs in FY 2021-22 on consolidated basis.

Net worth

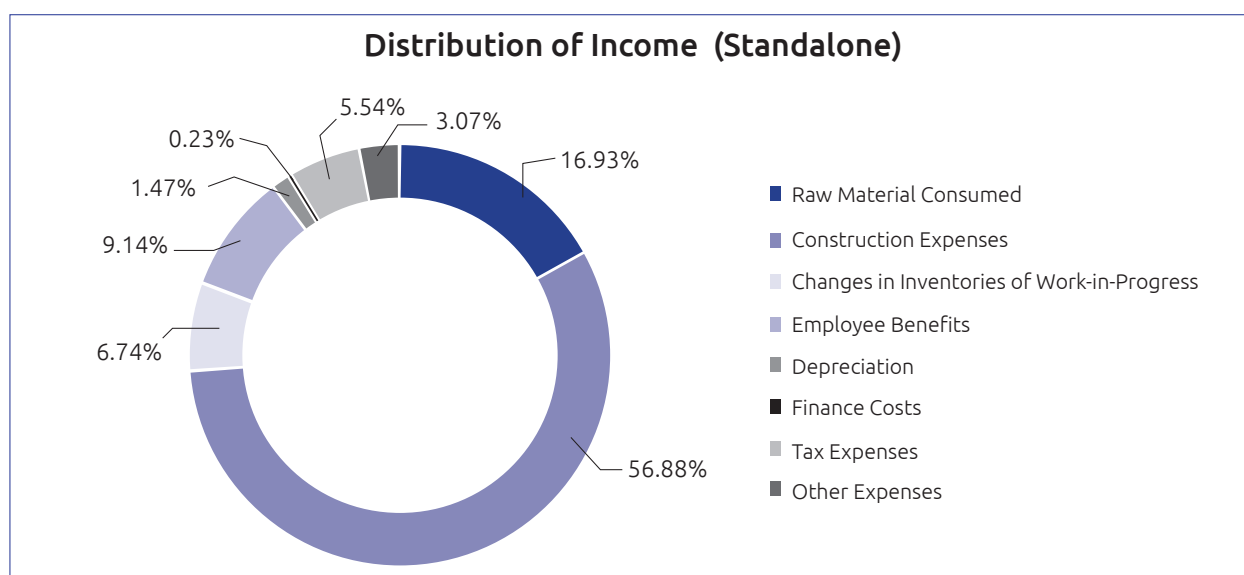
Net worth increased by 30.18% YoY to ₹25007.69 Lakhs as against ₹19208.92 Lakhs in the previous year on standalone basis. Net worth increased by 29.84% YoY to ₹25008.05 Lakhs as against ₹19261.32 Lakhs in the previous year on consolidated basis.

Earnings Per Share

Earnings per share are up from ₹11.52 as of March 31, 2022, to ₹15.22 as of March 31, 2023 on standalone basis.

Distribution of Income

	(₹in Lakhs)
Raw Material Consumed	5,844.26
Construction Expenses	19,628.91
Changes in Inventories of Work-in-Progress	(2,326.89)
Employee Benefits	3,153.54
Depreciation	507.21
Finance Cost	77.66
Other Expenses	1,060.22
Tax Expenses	1,912.24



Human Resources

The Company has total payroll of 871 employees as on March 31, 2023. The Company recognizes that our human resources are fundamental to the achievement of our objectives. Our HR and Operations teams work closely with senior management to devise strategies that attract top talent and enhance our capabilities. By empowering, inspiring, and motivating our employees, we foster an environment that drives higher levels of performance. It is the unwavering commitment of our employees that propels us forward and enables us to fulfil our vision.

We believe that our employees are our most valuable asset. We strive to create a supportive and inclusive work environment that encourages growth, innovation, and collaboration. By investing in the well-being

and development of our employees, we strengthen our collective capabilities and pave the way for continued success.

Key Ratios

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

During the year under review, there are no significant changes in the financial ratios as compared to previous financial year except for Debt Equity ratio and Current ratio.

1. Debt Equity Ratio was increased by 46.74% on Standalone basis and 46.47% on Consolidated basis due to increase in Shareholders Equity during the current year and also decrease in debt for the current year.
2. Current Ratio was decreased by 30.90% on Standalone basis and 29.72% on Consolidated basis due to increase in trade payables during the current financial year.

The details of other ratios reproduced in note no. 42 of Standalone financial statements and note no. 41 of Consolidated financial statements.

Details of any change in return on net worth as compared to the immediately previous financial year along with a detailed explanation:

- Return on Net worth increased to 1.44% on Standalone basis and 0.40% on Consolidated basis due to increase in Shareholders Equity during the financial year 2022-23.

Cautionary Statement

This report may contain certain statements that the Company believes are or may be considered to be 'forward-looking statements' which are subject to certain risks and uncertainties. These estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the statements reflect truly and fairly, the state of affairs and profits for the year. Actual results may differ materially from those expressed or implied. Significant factors that could influence the Company's operations include government regulations, tax regimes, market access-related regulatory compliances, patent laws, and domestic and international fiscal policies.

BOARD'S REPORT

To
The Members,
LIKHITHA INFRASTRUCTURE LIMITED

The Board of Directors ("**Board**") of Likhitha Infrastructure Limited ("**the Company**") hereby presents the 24th Annual Report along with the Audited Financial Statements (Standalone and Consolidated) for the financial year (FY) ended March 31, 2023.

Financial Performance

The audited financial statements (standalone and consolidated) of your Company as on March 31, 2023, prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of the Companies Act, 2013, forms part of this Annual Report.

The summary of the audited financial results (standalone and consolidated) i.e., Statement of Profit and Loss for the year ended March 31, 2023, of the Company is as follows:

(Amount ₹ in lakhs)

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	35,076.61	25,713.67	36,495.50	25,721.17
Other Income	784.91	354.90	423.48	354.90
Total Revenue	35,861.52	26,068.57	36,918.98	26,076.07
EBITDA	8,501.48	6,469.37	8,730.80	6,570.06
Less: Finance costs	77.66	53.32	77.66	53.32
Less: Depreciation and Amortization Expenses	507.21	368.65	507.21	368.65
Profit before prior period items	7,916.61	6,047.40	8,145.93	6,148.09
Prior period items	--	--	--	--
Profit Before Tax	7,916.61	6,047.40	8,145.93	6,148.09
Less: Current Tax	1,937.20	1,514.55	2,141.21	1,549.74
Add: Deferred Tax Asset	24.96	13.73	24.96	13.73
Profit Available for Appropriations / Loss	6,004.37	4,546.57	6,029.68	4,612.07
Basic Earnings per Share (₹)	15.22	11.52	15.28	11.69
Diluted Earnings per Share (₹)	15.22	11.52	15.28	11.69
Paid up share capital (face value of ₹ 5 each)	1,972.50	1,972.50	1,972.50	1,972.50
Reserves and Surplus	23,035.19	17,236.42	23,035.55	17,288.82

Results of operations and state of affairs of the company

The keys aspects of your Company's financial performance during the financial year 2022-23 are as follows:

Financial highlights

Standalone

- Revenue from Operations increased by 36.41% YoY to ₹35076.61 Lakhs as against ₹25713.67 Lakhs in the previous year.
- Operating EBIDTA also increased by 31.41% YoY to ₹8501.48 Lakhs as against ₹6469.37 Lakhs in the previous year.

- PAT increased by 32.06% YoY to ₹6004.37 Lakhs as against ₹4546.57 Lakhs in the previous year.

Consolidated

- Revenue from Operations increased by 41.89% YoY to ₹36495.50 Lakhs as against ₹25721.17 Lakhs in the previous year.
- Operating EBIDTA also increased by 32.89% YoY to ₹8730.80 Lakhs as against ₹6570.06 Lakhs in the previous year.
- PAT increased by 30.73% YoY to ₹6029.68 Lakhs as against ₹4612.07 Lakhs in the previous year.

Subsidiaries, associates and joint venture companies

As on March 31, 2023, the Company has only one (1) Joint Venture. Further, during the year under review, the Company has entered into Joint Venture Agreement and subsequently '**Likhitha HAK Arabia Contracting Company**' has been incorporated in the kingdom of Saudi Arabia as a Joint Venture Company w.e.f April 11, 2023.

There are no subsidiaries or Associate Companies within the meaning of the Companies Act, 2013 ("the Act"). There has been no material change in the nature of the business of the subsidiaries.

Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries / associates / Joint Ventures of the Company in **Form AOC-1**, is attached as **Annexure-I** to this report.

Further, the Company's policy on determining the material subsidiaries, as approved by the Board, is available on the Company's website at www.likhitha.co.in.

Consolidated financial statements

Consolidated financial statements have been prepared by the Company in accordance with the relevant accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and as per the provisions of Section 129(3) of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Further, pursuant to the provisions of Section 136 of the Act, the financial statements including the consolidated financial statements, along with the relevant document's forms part of this annual report and are available on the website of the Company www.likhitha.co.in.

Any member desirous of inspecting or obtaining a copy of the said financial statements may write to the Company Secretary of the Company at email ID: cs@likhitha.in.

Change in nature of business

During the year under review, there has been no change in the nature of business of the Company.

Amount to be carried to general reserve

The Company has not transferred any amount to general reserve during the current financial year.

Dividend

Your Board of Directors at their meeting held on May 18, 2023, has recommended a final dividend on the equity shares at the rate of 30% (₹1.5/-) per Equity Share having face value of ₹5/- each out of the profits of the Company for the FY 2022-23, subject to shareholders' approval at the ensuing Annual General Meeting ("AGM"). The Dividend, if approved, will be paid to shareholders whose names appear in the Register of Members as on the record date.

The record date for the purpose of payment of final dividend for the financial year ending March 31, 2023, is fixed as **Wednesday, September 20, 2023**.

The said dividend, if approved by the shareholders, would involve a cash outflow of ₹591.75 Lakhs. As members are aware, with effect from April 01, 2020, the Government has abolished the dividend

distribution tax and dividend income is now taxable at the hands of shareholders. Hence payment of dividend to members will be subject to tax deduction at source (TDS) as per statutory requirement.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution policy, in terms of Regulation 43A of the SEBI (LODR) Regulations, 2015 is available on the Company's website at http://www.likhitha.co.in/img/content/policies/Dividend_Distribution_Policy.pdf.

Transfer of unclaimed dividend to investor education & protection fund (IEPF)

During the year under review, the Company was not required to transfer any funds to the Investor Education and Protection Fund as per the provisions of Section 125 of the Companies Act, 2013. However, the balance in Unclaimed / Unpaid Dividend Account as on March 31, 2023, is given below:

S. No.	Particulars	Amount in ₹
		31.03.2023
1	Final Dividend for FY 2020-21	1,44,705
2	Interim Dividend for FY 2021-22	1,20,462
3	Final Dividend for FY 2021-22	25,870

The Company requests all the members to encash/claim their respective dividend within the prescribed period. Shareholders are informed that once an unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company. The details of the unpaid/unclaimed amounts lying with the Company are available on the website of the Company at <http://www.likhitha.co.in/investors.html> and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link <https://www.iepf.gov.in/>.

Ms. Pallavi Yerragonda, Company Secretary and Compliance officer of the Company acts as Nodal Officer.

Share capital

During the year under review, shareholders passed ordinary resolution through postal ballot by remote e-voting dated November 09, 2022, for sub-division of 1 (One) equity share of ₹10/- (Rupees Ten) each into 2 (Two) equity shares of ₹5/- (Rupees Five) each.

Consequently, as on March 31, 2023, the Authorized Share Capital of the Company is ₹20,00,00,000/- (Rupees Twenty Crores Only) divided into 4,00,00,000 (Four Crores) equity shares of ₹5/- (Rupees Five Only) each and Paid-up Equity Share Capital of the Company ₹19,72,50,000 (Rupees Nineteen Crores Seventy Two Lakhs and Fifty Thousand Only) comprising of 3,94,50,000 (Three Crores Ninety Four Lakhs and Fifty Thousand) equity shares of face value of ₹5/- (Rupees Five Only) each.

During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity.

Utilisation of IPO proceeds

The Company has raised funds through Initial Public Offer (IPO) aggregating up to 51,00,000 (Fifty One Lakhs) Equity Shares with the issue size of ₹61,20,00,000/- (Rupees Sixty-One Crore Twenty Lakhs only) with the object of utilization of net proceeds to fulfil working capital requirements of our company, to meet issue expenses and General Corporate Purposes. The Company has utilized all the proceeds for the objects as stated in the offer document.

Deposits

During the year under review, your Company has not accepted any deposits pursuant to the provisions of Sections 73 and 76 of the Companies Act, 2013 and rules made thereunder.

Particulars of loans, guarantees and investments

Details of Loans, Guarantees and Investments made during the financial year ended March 31, 2023, covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, are given in the notes to the Financial Statements.

Listing of equity shares

The Company's equity shares are listed on the following Stock Exchanges:

- i. BSE Limited, Phiroze JeeJeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India; and
- ii. National Stock Exchange of India Limited, Exchange Plaza, Floor 5, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India.

The Company has paid the Annual Listing Fees to the said Stock Exchanges for the Financial Year 2023-24.

Material changes and commitments

No material changes and commitments have occurred subsequent to the end of the financial year of the Company to which the financial statements relate and till the date of the report, which will have an impact on the financial position of the Company.

Outlook and future plans

“Management Discussion and Analysis” contains a separate section on the Company's outlook and future plans and members may please refer to the same on this.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed as **Annexure-II** to this report.

Corporate social responsibility (CSR)

The Board of Directors has constituted the Corporate Social Responsibility (CSR) Committee in accordance with the provisions of section 135 of the Companies Act, 2013. The Board on the recommendation of CSR Committee and in compliance with the policy on Corporate Social Responsibility, contributed to CSR activities specified in Schedule VII of the Companies Act, 2013

The Policy on Corporate Social Responsibility is available on the Company's website at https://www.likhitha.co.in/img/content/CSR/CSR_Policy.pdf. The Annual Report on CSR activities is enclosed as **Annexure-III** to this report. For other details regarding the CSR Committee, please refer to the Corporate Governance Report which forms part of this Annual Report.

The Chief Financial Officer of the Company has certified that CSR funds disbursed for the projects have been utilized for the purposes and in the manner as approved by the Board.

Annual return

In accordance with the provisions of Section 92 and Section 134 of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, (as amended), the Annual Return for the financial year ended March 31, 2023 is available on the website of the Company at http://www.likhitha.co.in/annual_returns.html

Contracts and arrangements with related parties

During the Year under review, all contracts / arrangements / transactions entered by the Company with related parties were in the ordinary course of business and on an arm's length basis which were approved

by the audit Committee and the Board from time to time. The particulars of such contracts or arrangements with related parties are enclosed in Form AOC-2 as **Annexure-IV** to this report.

Business responsibility and sustainability report

Pursuant to Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, as amended, the Business Responsibility and Sustainability Report in prescribed format for FY 2022-23 is enclosed as **Annexure-V** to this report.

Management and discussion analysis

Pursuant to the provisions of Regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a report on Management Discussion & Analysis is presented in a separate section forming part of this annual report.

Particulars of employees and related disclosures

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including amendments thereto), is attached as **Annexure-VI** to this Report.

Corporate governance

Your company practices best corporate governance procedures to uphold the true spirit of law, integrity, and transparency by adhering to our core values with an objective to maximize stakeholders value. The Report on Corporate Governance, pursuant to the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure-VII** and a certificate obtained from the Secretarial Auditors confirming compliance with Corporate Governance requirements as provided in the aforesaid Regulations is annexed to this report.

Directors' responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- i) In preparation of the annual accounts for the financial year ended March 31, 2023, the applicable Ind-AS (Indian Accounting Standards) have been followed and there are no material departures.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The directors have prepared the annual accounts on a going concern basis;
- v) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively and
- vi) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and effective.

Directors and key managerial personnel

The Board comprises an optimum combination of Executive, Non-Executive, Independent and Women Directors as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. As on March 31, 2023, the Board Comprises of Seven (07) Directors out of which are Four (04) Independent Directors including One Woman Independent Director, One (01) Non-Executive Non-Independent Director and Two (02) Executive Directors.

Details of the composition of the Board of Directors, appointments / re-appointments during the year under review and details of declarations received by the Directors have been provided in the Corporate Governance Report which forms part of this Annual Report.

Changes in Board

a) **Resignation of Mr. Kutumba Rao Gaddipati (DIN: 02333387)**

During the year under review, Mr. Kutumba Rao Gaddipati (DIN: 02333387) has resigned from the position of Non-Executive Non-Independent Director of the Company with effect from February 08, 2023.

b) **Reappointment of Mr. Venkatram Arigapudi (DIN: 08939773) as an Independent Director**

Pursuant to the recommendations of the Nomination and Remuneration Committee, the Board at its meeting held on August 09, 2023 re-appointed Mr. Venkatram Arigapudi as an Independent Director of the Company for a further period of 3 (three) years and 6 (six) months with effect from October 31, 2023, subject to the Shareholders' approval at the ensuing Annual General Meeting. The Company has received requisite consent/declarations for the appointment of Mr. Venkatram Arigapudi as an Independent Director as required under the Act and rules made thereunder. His appointment for a period of three years and six months is included in the AGM notice for seeking approval of its members.

c) **Reappointment of Mr. Sivasankara Parameswara Kurup Pillai (DIN: 08401552) as an Independent Director**

Pursuant to the recommendations of the Nomination and Remuneration Committee, the Board at its meeting held on August 09, 2023 re-appointed Mr. Sivasankara Parameswara Kurup Pillai as an Independent Director of the Company for a further period of 3 (three) years with effect from March 28, 2024, subject to the Shareholders' approval at the ensuing Annual General Meeting. The Company has received requisite consent/declarations for the appointment of Mr. Sivasankara Parameswara Kurup Pillai as an Independent Director as required under the Act and rules made thereunder. His appointment for a period of three years is included in the AGM notice for seeking approval of its members.

d) **Reappointment of Mr. Venkata Sesha Talpa Sai Munupalle (DIN: 08388354) as an Independent Director**

Pursuant to the recommendations of the Nomination and Remuneration Committee, the Board at its meeting held on August 09, 2023 re-appointed Mr. Venkata Sesha Talpa Sai Munupalle as an Independent Director of the Company for a further period of 3 (three) years with effect from March 28, 2024, subject to the Shareholders' approval at the ensuing Annual General Meeting. The Company has received requisite consent/declarations for the appointment of Mr. Venkata Sesha Talpa Sai Munupalle as an Independent Director as required under the Act and rules made thereunder. His appointment for a period of three years is included in the AGM notice for seeking approval of its members.

e) **Reappointment of Ms. Jayashree Voruganty (DIN: 09137732) as an Independent Director**

Pursuant to the recommendations of the Nomination and Remuneration Committee, the Board at its meeting held on August 09, 2023 re-appointed Ms. Jayashree Voruganty as an Independent Director of the Company for a further period of 3 (three) years with effect from March 28, 2024, subject to the Shareholders' approval at the ensuing Annual General Meeting. The Company has received requisite consent/declarations for the appointment of Ms. Jayashree Voruganty as an Independent Director as required under the Act and rules made thereunder. Her appointment for a period of three years is included in the AGM notice for seeking approval of its members.

Key managerial personnel

In accordance with the provisions of Section(s) 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the following are the Key Managerial Personnel of the Company as on March 31, 2023:

S. No.	Name of the KMP	Designation
1	Mr. Srinivasa Rao Gaddipati	Managing Director
2	Mrs. Likhitha Gaddipati	Whole Time Director and Chief Financial Officer
3	Mr. Sudhanshu Shekhar	Chief Executive Officer
4	Ms. Pallavi Yerragonda	Company Secretary and Compliance Officer

Changes in Key Managerial Personnel

During the year under review, there are no changes in the Key Managerial Personnel of the Company other than as stated below.

S. No.	Name of Key Managerial Personnel	Details of the Change
1	Mrs. Triveni Banda	Resigned as Company Secretary and Compliance officer of the Company with effect from October 01, 2022.
2	Ms. Pallavi Yerragonda	Appointed as Company Secretary and Compliance officer of the Company with effect from December 22, 2022.

Non-Executive Independent Directors

The Company has received declarations from all the Independent Directors as required under section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations stating that they meet the criteria of independence. There has been no change in the circumstances affecting their status as independent directors of the Company.

The Board has reviewed integrity, expertise, experience, and the requisite proficiency of the independent directors and confirmed that the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have enrolled their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs. As prescribed under Listing Regulations and pursuant to Section 149(6) of the Act, the particulars of Non-Executive Independent Directors (as on the date of signing this report) are as under:

1. Mr. Venkata Sehsha Talpa Sai Munupalle
2. Mr. Sivasankara Parameswara Kurup Pillai
3. Mr. Venkatram Arigapudi
4. Ms. Jayashree Voruganty

All the directors were appointed as independent directors by the shareholders at their meetings.

Director liable to retire by rotation

Mrs. Sri Lakshmi Gaddipati (DIN: 02250598), Non-Executive Non-Independent Director will retire by rotation at the ensuing Annual General Meeting. Being eligible, she offers herself for re-appointment.

Directors and officers insurance ('D&O')

As per the requirements of Regulation 25 (10) of the SEBI Listing Regulations, the Company has taken D&O Insurance for all its Directors of the Company.

Meetings of the board

During the year under review, 8 (Eight) Meetings of the Board were convened and held as per the Standards as set forth in the **Secretarial Standard – I**. The maximum gap between two consecutive board meetings was within the period as prescribed under the provisions of the Companies Act, 2013.

Details of the meetings of the Board along with the attendance of the Directors therein have been disclosed as part of the Corporate Governance Report forming part of this Annual Report.

Committees of the board

Currently the Board has 5 (Five) committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee. The composition of the committees are in line with the applicable provisions of the Act, Rules and the Listing Regulations.

Audit committee

The Board has in place a duly constituted Audit Committee as per the provisions of Section 177 of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The composition, attendance, powers and role of the Audit Committee are included in Corporate Governance Report which forms part of this Annual Report. All the recommendations made by the Audit Committee were accepted by the Board of Directors.

Other committees

The Board has also constituted the following committees, in accordance with the provisions of Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable, which are in place and discharging their functions as per terms of reference entrusted by the Board of Directors from time to time:

- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

The composition, attendance, powers, and roles of the Committees are included in the Corporate Governance Report which forms part of this Annual Report.

Policy on Directors' appointment and remuneration and other details

The Nomination and Remuneration Committee has adopted a policy as per Section 178(3) of the Companies Act, 2013 for determination of remuneration and the manner of selection of the Board of Directors, Senior Management and Key Managerial personnel of the Company. The Policy is available on the Company's website at <http://www.likhitha.co.in/investors.html>.

Criteria for selection of Non-Executive Directors

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience in the fields of Service Industry, Manufacturing, Marketing, Finance and Taxation, Law, Governance and General Management.
- In case of appointment of independent directors, the committee shall satisfy itself with regard to the criteria of independence of the directors vis-à-vis the company so as to enable the board to discharge its function and duties effectively.

- The committee shall ensure that the candidate identified for appointment as a director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The committee shall consider the following attributes, while recommending to the board the candidature for appointment as director:
 - Qualification, expertise and experience of the directors in their respective fields;
 - Personal, professional or business standing;
 - Diversity of the Board;
 - In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Directors and their engagement level;

Remuneration

The Non-Executive Directors shall not be entitled to receive remuneration except by way of sitting fees, reimbursement of expenses for participation in the board/committee meetings and commission, if any, as approved by the Board of Directors. The independent directors of the company shall not be entitled to participate in the Stock Option Scheme of the company. The aggregate commission payable if any to the Non-Executive Directors will be within the statutory limits.

Criteria for selection / appointment of Managing Director, Executive Directors, CEO, CFO and CS

For the purpose of selection of the Managing Director, Executive Directors, CEO, CFO and CS the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under Companies Act, 2013, or other applicable laws.

Remuneration to Managing Director and Executive Directors

- At the time of appointment or re-appointment, the Executive Director and Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the remuneration of Executive Director / Managing Director, within the overall limits prescribed under the Companies Act, 2013.
- Any Revision in remuneration shall be subject to the approval of the members of the Company in the General Meeting in compliance with the provisions of the Companies Act, 2013.

Remuneration Policy for the Senior Management Employees including CEO, CFO & CS

In determining the remuneration of Senior Management Employees, the committee shall ensure/consider the following:

- The relationship between remuneration and performance benchmark.
- The balance between fixed and variable pay reflects short and long-term performance appropriate to the working of the company and its goals, as mutually agreed.

Familiarisation program for Independent Directors

The company has conducted a Familiarization Program for independent directors in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended from time to time.

The Familiarization Program was conducted with an objective to provide an opportunity to familiarize the independent directors related to the nature of the industry, roles, rights, and responsibilities of independent directors, Business model of the company and challenges etc. They have the full opportunity to interact with Senior Management personnel and Heads of the department and are provided with all

documents as required and sought by them to enable them to have a good understanding.

The details of such Familiarization Programmes for Independent Directors are posted on the Company's website at <http://likhitha.co.in/investors.html>.

Board evaluation and assessment

The Board of Directors has carried out an annual performance evaluation of Individual Directors including chairman of the Company, Board as a whole and its committees thereof pursuant to the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- Performance evaluation criteria is determined by the Nomination and Remuneration Committee.
- A structured questionnaire was prepared to evaluate the performance after seeking inputs from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, and governance.
- A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution at meetings, independence, safeguarding the interest of the Company and its minority shareholders etc.
- The performance evaluation of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated), after seeking inputs from all the directors on the effectiveness and contribution of the Independent Directors. The Process and criteria evaluation of Performance of Independent Directors is explained in Corporate Governance report which forms part of the Annual Report.
- In a separate meeting of Independent Directors, performance of Non-Independent Directors, and the performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The Independent Directors also assessed the quality, frequency, and timeliness of flow of information between the Board and the management that is necessary for effective performance.
- The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

The Directors expressed their satisfaction with the evaluation process.

Employees' stock option scheme

There is no employees' stock option scheme being implemented by the Company.

Auditors and Auditors' Report

Statutory Auditors

M/s. NSVR & Associates LLP, Chartered Accountants (FRN: 008801S), were appointed as the Statutory Auditors of the Company for a term of five consecutive years to hold office from 20th Annual General Meeting till the conclusion of 25th Annual General Meeting of the Company. They have confirmed their eligibility for the financial year 2023-24 under Section 141 of the Companies Act, 2013, and the Rules framed thereunder.

Fraud Reporting

During the Financial Year under review, the Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company, pursuant to the provisions of Section 143(12) of the Companies Act, 2013.

Internal Auditors

Based on the recommendations of the Audit Committee, the Board of Directors at their meeting held on May 18, 2023, have re-appointed M/s. Mukul Tyagi & Associates, Chartered Accountants as Internal Auditors of the Company for the financial year 2023-2024. M/s. Mukul Tyagi & Associates have confirmed their willingness to be re-appointed as the Internal Auditors of the Company.

Secretarial Auditors

Based on the recommendations of the Audit Committee, the Board of Directors at their meeting held on May 18, 2023, have appointed M/s. VCAN & Associates, Practising Company Secretaries, Hyderabad as a Secretarial Auditors of the Company for the financial year 2023-2024. M/s. VCAN & Associates have conducted the Secretarial Audit for the financial year 2022-2023 and the Secretarial Audit Report, in **Form MR-3**, forms part of this Report as **Annexure-VIII**.

Qualifications in auditors report

Comments by the Board on Every Qualification, Reservation or Adverse Remark or Disclaimers

Statutory auditors

As there is no qualification, observations or adverse remarks in the reports given by the Statutory Auditors, your directors need not provide any clarification on the same.

Internal audit report

The recommendations / suggestions of the internal auditors are discussed in the Audit Committee and Board meetings periodically.

Secretarial audit report

There are no qualifications or adverse observation in the Secretarial Audit Report issued by the Secretarial Auditors for the financial year ended March 31, 2023.

Secretarial standards

The Company confirms compliance with the requirements of Secretarial Standard I and Secretarial Standard II.

Material orders passed by the regulators

No significant material orders have been passed by the Regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Insurance

All the properties of the Company, including buildings, plants and machinery and stocks have been adequately insured.

Adequacy of internal financial controls with reference to the financial statements

The Company has laid down internal financial controls through Entity level controls inter-alia to ensure orderly and efficient conduct of business, including adherence to Company's policies and procedures, accuracy and completeness of accounting records and timely preparation and reporting of reliable financial statements/information, safeguarding of assets, prevention and detection of fraud and errors.

The Board of Directors of the Company have adopted various policies like Related Party Transactions policy, Whistle Blower Policy, code of conduct for regulating, monitoring, and reporting insider trading and such other procedures for ensuring the orderly and efficient conduct of its business, prevention and detection

of frauds and errors, accuracy, and completeness of the accounting and timely preparation of financial information.

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board has approved the code of conduct for prohibition of insider trading and the same is being implemented by the Company. The board has appointed Ms. Pallavi Yerragonda, Company Secretary, as the Compliance Officer under the code.

Vigil mechanism

Pursuant to the Provisions of the Section 177(9) & (10) of the Companies Act, 2013, and Regulation 22 of SEBI (LODR) Regulations, 2015, the Company has established a Vigil mechanism by framing a policy named as **“Likhitha Whistle Blower Policy”** for Directors and employees to report genuine concerns or grievances. The policy on vigil mechanism is available on the Company’s website at https://likhitha.co.in/img/content/policies/Whistle_Blower_Policy.pdf.

The policy lays down a framework and process, which provides a platform to disclose information, confidentially and without fear of reprisal or victimization, where there is reason to believe that there has been serious malpractice, fraud, impropriety, abuse or wrongdoing, grievances about leakage of unpublished price sensitive information (UPS), illegal and unethical behavior within the Company to the Chairman of the Audit Committee.

Risk management

The Board of Directors has formulated and implemented a Risk Management Policy which identifies various elements of risks, which, in its opinion, may threaten the existence of the Company and contains measures to mitigate the same. The Risk Management Policy of the Company is available on the Company’s website at www.likhitha.co.in. A Risk Management Committee has been constituted as per the provisions of Regulation 21 of SEBI (LODR) Regulations, 2015 to monitor and review the major risks faced by and the risk management plan of the Company periodically.

Industrial safety and environment

The utmost importance continues to be given to the safety of personnel and equipment in all the plants of the Company. The Company reviews thoroughly the various safety measures adopted and takes effective steps to avoid accidents. Safety drills are also conducted at regular intervals to train the employees for taking timely and appropriate action in case of accidents.

Green initiative

The Ministry of Corporate Affairs (MCA) has taken a green initiative in Corporate Governance by allowing paperless compliance by the Companies and permitted the service of Annual Reports and other documents to the shareholders through electronic mode subject to certain conditions and the Company continues to send Annual Reports and other communications in electronic mode to those members who have registered their email IDs with their respective depositories. Members may note that Annual Reports and other communications are also made available on the Company’s website <https://www.likhitha.co.in> and websites of the Stock Exchanges i.e., BSE Limited, and National Stock Exchange of India Limited.

Industrial relations

Industrial relations have been cordial during the year under review and your directors appreciate the sincere and efficient services rendered by the employees of the Company at all levels towards the successful working of the Company.

Prevention of sexual harassment of women at workplace policy

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition, and Redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the rules framed thereunder.

The Company has duly constituted an Internal Complaints Committee (ICC) as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The present composition of ICC is as under:

- Mrs. Sri Lakshmi Gaddipati - Presiding Officer
- Mrs. Likhitha Gaddipati - Member
- Mrs. Priyanka Gajji - Member
- Mr. Venkata Prabhakar Rao Talluri - Member

The disclosure pertaining to Complaints are given under:

No. of Complaints received during the year	NIL
No. of Complaints disposed-off during the year	NIL
No. of Complaints pending as on end of financial year	NIL

Human resources

The Company considers its Human Resource as the key to achieve its objectives. Our HR and Operations Department works closely with Senior Management to devise strategies that attract talent and enhance capabilities. The employees are sufficiently empowered and enabled to work in an environment that inspires them to achieve higher levels of performance. It is the unwavering commitment of our employees that propels us forward and enables us to fulfil the Company's vision. Your Company appreciates the contribution of its dedicated employees.

We believe that our employees are our most valuable asset. Your Company is also focused on the overall well-being of its employees. We are committed to creating a positive work environment that prioritizes the health, safety, career growth and development of our employees. The Company took various initiatives to keep the employees productive and engaged with various employee training and awareness programs. we strengthen our collective capabilities and pave the way for continued success.

General

Your directors state that no disclosure or reporting is required in respect of following items as there were no transactions on these items during the year under review:

- a) Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c) No significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- d) No frauds were reported by the Auditors during the year under review.
- e) Maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, is not required by the Company.
- f) It was observed that BSE Limited issued a notice alleging that there was a delay in the submission of the Annual Report for the year 2021-22 by 1 (one) day and levied a penalty of ₹2,000/-. Upon submission of clarification, the said penalty was withdrawn.

ACKNOWLEDGEMENTS

Your directors take this opportunity to thank our customers, vendors, investors, bankers, Government of India, State Governments in India, Regulatory and statutory authorities, shareholders, and the society at large for their valuable support and cooperation. We place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation, and support.

**On behalf of the Board of Directors
for Likhitha Infrastructure Limited**

Place : Hyderabad
Date : August 09, 2023

Sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

Sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

AOC-I

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES AND ASSOCIATE COMPANIES AND JOINT VENTURE FOR THE YEAR ENDED MARCH 31, 2023.

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

Part A : Subsidiaries - Not Applicable

Part B

I. Associates and Joint Ventures

Particulars	CPM Likhitha Consortium
1. Latest audited Balance Sheet Date	31.03.2023
2. Date on which the Joint Venture was associated or acquired	10.08.2018*
3. Shares of Joint Ventures held by the company on the year end	80%
No. of Shares	Not applicable
Amount of Investment in Joint Venture	₹17.71 Lakhs
Extent of Holding (in percentage)	80
4. Description of how there is significant influence	CPM - Likhitha Consortium is a Joint Venture of Likhitha Infrastructure Limited
5. Reason why the Joint venture is not consolidated	Not applicable as accounts were consolidated
6. Net worth attributable to shareholding as per latest audited Balance Sheet	₹361.42 Lakhs
7. Profit or Loss for the year	
i. Considered in Consolidation	₹309.38 Lakhs
ii. Not Considered in Consolidation	₹77.34 Lakhs

*Likhitha Infrastructure Limited entered into a Joint Venture Agreement vide dated 10.08.2018 with PT Citra Panji Manunggal and Registered Joint Venture in the name of CPM - Likhitha Consortium. However, CPM-Likhitha Consortium commenced its operations from the quarter ended 31.03.2022.

Note: This form is to be certified in the same manner in which the Balance sheet is to be certified

I. Names of associates or joint ventures which are yet to commence operations: NIL

However, Subsequent to the financial year ended on March 31, 2023, 'Likhitha HAK Arabia Contracting Company' has incorporated as a Joint Venture Company w.e.f April 11, 2023 (FY 2023-24).

II. Names of associates or joint ventures which have been liquidated or sold during the year: NIL.

for and on behalf of the Board
for **Likhitha Infrastructure Limited**

Place : Hyderabad
Date : August 09, 2023

Sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

Sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

ANNEXURE-II

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo as required under section 134(3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are as follows:

(A) Conservation of energy

The Company has taken suitable measures for conservation of energy to the extent possible. However, the core activity of the Company is civil construction which is not an energy intensive sector where energy consumption is at intensive level

S. No.	Particulars	Remarks
i.	Steps taken or impact on conservation of energy	In view of business activities of the Company, no substantial steps are required to be taken for conservation of energy other than those actually implemented by the Company.
ii.	Steps taken by the Company for utilizing alternate source of energy	In view of business activities of the Company, no substantial steps are required to be taken for conservation of energy other than those actually implemented by the Company.
iii.	The capital investment on energy conservation equipment	NA

(B) Technology absorption

Your Company has not undertaken any research and development activity in any manufacturing activity nor any specific technology is obtained from any external sources, which needs to be absorbed or adopted.

S. No.	Particulars	Remarks
i.	The efforts made towards technology absorption	No specific efforts made other than in the ordinary course of execution of the Project.
ii.	The benefits derived like product improvement, cost reduction, product development or import substitution;	NA
iii.	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) the details of technology imported the year of import whether the technology been fully absorbed if not fully absorbed, areas where absorption has not taken place, and the reasons thereof and	NA
iv.	the expenditure incurred on Research and Development.	NA

(C) Foreign exchange earnings and Outgo

(₹ in Lakhs)

Particulars	As on 31.03.2023	As on 31.03.2022
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	27.88	263.79

for and on behalf of the Board
for **Likhitha Infrastructure Limited**

Place : Hyderabad
Date : August 09, 2023

Sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

Sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.]

1. A brief outline of the company's CSR policy

The Company has been focusing on sustainable business practices encompassing economic, environmental, and social imperatives that not only cover business, but also the communities around us. We focus on our social and environmental responsibilities to fulfil the needs and expectations of the communities around us. Our Corporate Social Responsibility Policy ("**CSR**") policy aims to provide a dedicated approach to the development of community around us in the areas of health care including preventive health care and sanitation, promoting education and employment enhancing vocation skills, empowerment of women and rural areas development.

2. Composition of CSR Committee

S. No.	Name of the Director	Designation / Nature of Relationship	Number of CSR Meeting Held during the Year	Number of Meetings Attended by Committee Members
1	Mr. Srinivasa Rao Gaddipati	Chairman (Managing Director)	2	2
2	Mrs. Sri Lakshmi Gaddipati	Member (Non-Executive Non-Independent Director)	2	2
3	Mr. Sivasankara Parameswara Kurup Pillai	Member (Non-Executive Independent Director)	2	2

3. Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

- The web link to the composition of CSR Committee is available at <http://likhitha.co.in/investors.html>
- The web link to the CSR policy is available at https://www.likhitha.co.in/img/content/CSR/CSR_Policy.pdf
- The web link to the projects/Annual Report of activities as approved by the Board of Directors is available at <http://likhitha.co.in/investors.html>.

4. Provide the executive summary alongwith web-link of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 if applicable: Not applicable

5. (a) Average Net Profit of the Company as per sub-section (5) of Section 135: ₹4187.10 lakhs
 - (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹83.74 lakhs
 - (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Not applicable
 - (d) Amount required to be set-off for the financial year, if any: Not applicable
 - (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹83.74 lakhs
6. (a) Amount spent on CSR Projects (both Ongoing project and other than ongoing project): ₹83.75 lakhs
 - (b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year: ₹83.75 lakhs

(e) CSR Amount spent or unspent for the Financial Year

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹83.75 lakhs	-	-	NA	-	NA

(f) Excess Amount for set off, if any

S. No.	Particulars	Amount
1	Two percent of average Net Profit of the Company sub-section (5) of section 135	83.74
2	Total amount spent for the Financial Year	83.75
3	Excess amount spent for the Financial Year [(ii)-(i)]	0.01
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.01

(₹ in Lakhs)

7. Details of Unspent CSR Amount for the preceding three financial years: Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created / acquired : Not Applicable Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Amount of CSR amount spent		
					CSR Registration Number, if applicable	Name	Registered address
1	2	3	4	5	6		
Nil							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per sub-section (5) of section 135: Not applicable.

On behalf of the Board of Directors
for **Likhitha Infrastructure Limited**

Sd/-

Likhitha Gaddipati
Whole Time Director
DIN: 07341087

Sd/-

Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

Place : Hyderabad
Date : August 09, 2023

FORM No. AOC-2

(Disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013)

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

I. Details of contracts or arrangements or transactions not at arm's length basis

There are no contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are not at arm's length basis.

II. Details of contracts or arrangement or transactions at arm's length basis:

Contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 which are at arm's length basis.

(₹ in Lakhs)

Name of Related Party	Nature of Relationship	Nature of Related Party Transaction	Duration of Contract	Salient Terms, if any	Date of Approval of Board, if any	Amount of Transaction (For FY 2022-23)
Mr. Srinivasa Rao Gaddipati	Managing Director	Rent	On going	Not applicable	10.11.2022	37.80
Mr. Chandra Dheerajram	General Manager - Operations	Remuneration	As per the terms of appointment	Not applicable	10.11.2021	18.00
Mrs. Likhitha Gaddipati	CFO	Remuneration	As per the terms of appointment	Not applicable	10.11.2021	18.00
M/s. CPM-Likhitha Consortium	Joint Venture	Sale of Services	On going	Not applicable	10.08.2022	5533.21
M/s. CPM-Likhitha Consortium	Joint Venture	Advance / Loan	On going	Not applicable	10.08.2022	579.05
M/s. CPM-Likhitha Consortium	Joint Venture	Investment	On going	Not applicable	10.08.2022	361.42

By order of Board
for Likhitha Infrastructure Limited

Sd/-

Likhitha Gaddipati

Whole Time Director

DIN: 07341087

Sd/-

Srinivasa Rao Gaddipati

Managing Director

DIN: 01710775

Place: Hyderabad

Date : August 09, 2023

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

- Corporate Identity Number (CIN) of the Listed Entity:** L45200TG1998PLC029911
- Name of the Listed Entity:** Likhitha Infrastructure Limited
- Year of incorporation:** 1998
- Registered office address:** 8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana - 500073 India
- Corporate address:** 8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana - 500073 India
- E-mail:** cs@likhitha.in
- Telephone:** 040-23752657
- Website:** www.likhitha.co.in
- Financial year for which reporting is being done:** April 01, 2022 to March 31, 2023
- Name of the Stock Exchange(s) where shares are listed:** National Stock Exchange of India Ltd and BSE Ltd
- Paid-up Capital:** ₹19,72,50,000/- divided into 3,94,50,000 fully paid up equity shares of ₹ 5/- each.
- Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BSR report:** Pallavi Yerragonda (Company Secretary and Compliance Officer), Contact: 040-23752657, Email address: cs@likhitha.in
- Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together):** standalone basis.

II. Products / Services

- Details of business activities (accounting for 90% of the turnover):**

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1	Constructions	Laying of Gas Pipelines and associated facilities	100

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

S. No.	Product / Service	NIC Code	% of Total Turnover Contributed
1	Constructions	9953	100

III. Operations

- Number of locations where plants and / or operations / offices of the entity are situated**

Location	Number of Plants / Operations	Number of Offices	Total
National	18	1	19
International	-	1	1

17. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of States)	16 states and 1 Union Territory
International (No. of Countries)	1

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

c. A brief on types of customers

- The Company is engaged in the business of Cross-country pipelines, city gas distribution, tankage & terminals and O&M services. Our customer base comprises a wide array of corporate entities, encompassing both publicly and privately held corporations. These esteemed organizations' rely on our high quality activities to meet their business requirements.
- Some of the Public Sector Undertakings includes GAIL, HPCL, IOCL, ONGC, BPCL etc. and private sector Corporates are IOAGPL and AG&P etc.

IV. Employees

18. Details as at the end of Financial Year

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	871	863	99.08	8	0.92
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D + E)	871	863	99.08	8	0.92
WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than Permanent (G)	-	-	-	-	-
6.	Total workers (F + G)	-	-	-	-	-

b. Differently abled Employees and workers

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	-	-	-	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D + E)	-	-	-	-	-

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	-	-	-	-	-
5.	Other than permanent (G)	-	-	-	-	-
6.	Total differently abled workers (F + G)	-	-	-	-	-

19. Participation / Inclusion / Representation of women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B / A)
Board of Directors*	7	3	42.86%
Key Management Personnel	4	2	50%

*Note: This includes MD and WTD.

20. Turnover rate for permanent employees and workers

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	18.46%	25.00%	18.71%	17.24%	25.00%	17.44%	15.56%	12.50%	15.66%
Permanent Workers	-	-	-	-	-	-	-	-	-

Note: Major portion of the employee turn over rate is due to completion of projects and local employees choosing not to work in other locations.

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

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding / Subsidiary / Associate / Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	CPM Likhitha Consortium	Joint Venture	80%	No
2	Likhitha HAK Arabia Contracting Company (Kingdom of Saudi Arabia)*	Joint Venture	60%	No

Note: Incorporated on April 11, 2023.

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes)
- (ii) Turnover ₹35,076.61 Lakhs
- (iii) Net worth ₹25,007.69 Lakhs

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes (CSR Policy) https://www.likhitha.co.in/img/content/CSR/CSR_Policy.pdf	-	-	-	-	-	-
Investors (other than shareholders)	Yes (1. Dividend Distribution Policy https://www.likhitha.co.in/img/content/policies/Dividend_Distribution_Policy.pdf	-	-	-	-	-	-
Shareholders	2. Insider Trading Policy) https://likhitha.co.in/img/content/policies/Insider_Trading_Policy.pdf	1	-	-	-	-	-
Employees and workers	Yes Grievance redressal policy https://www.likhitha.co.in/policies.html	-	-	-	-	-	-
Customers	Yes (1. Whistle Blower Policy) https://www.likhitha.co.in/img/content/policies/Whistle_Blower_Policy.pdf	-	-	-	-	-	-
Value Chain Partners	2. Code of business conduct and ethics https://likhitha.co.in/img/content/policies/Code_of_Business_Conduct_and_Ethics.pdf	-	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Occupational Health & Safety	Risk	Occupational Health and Safety involves safety for not only people but also the environment. It is important for companies to make their operations safe and prevent any harm to the people and environment. Any mishandling of safety-related parameters can lead to a negative on the health and environment.	To address the risks associated with employee health and safety, the company is implementing the following approach: Risk: Safety Training and Education: Providing comprehensive safety training programs to employees to ensure they have the necessary knowledge and skills to perform their tasks safely. This includes regular safety briefings, hazard identification, and emergency response training with a goal of zero accidents. Safety Equipment and Infrastructure: Investing in appropriate safety equipment, protective gear, and infrastructure to minimize the risk of accidents and injuries. This includes regular maintenance and inspections of machinery and equipment to ensure they are in safe working condition.	Negative
2.	Human Rights and Labour relations	Risk	One of the fundamental value of the Company is to Respect human rights. Compliance with the human rights laws and regulations is critical for the company. Failing to do so can lead to legal consequences and damage the reputation and brand image of the company.	The company is committed to cultivating an empathetic positive culture. This dedication is reflected in the company's various corporate policies, which include the Whistle Blower Policy, policy on prohibition of Sexual Harassment, Code of Business Conduct and ethics. Furthermore, the company is actively implementing various initiatives to support this culture, such as conducting Training programs to ensure awareness and compliance with company policies, fostering a diverse and inclusive work environment, increasing women's representation in senior leadership positions and promoting their professional growth and advancement.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Customer Centricity	Opportunity	<p>Customer centricity is important as it drives customer satisfaction, loyalty, and retention. It provides a competitive advantage, increases customer lifetime value, and generates positive marketing.</p> <p>Additionally, customer centricity facilitates customer insights and fosters innovation, enabling companies to stay ahead in a dynamic marketplace.</p>	-	Positive
4.	Quality Management	Opportunity	<p>Quality management places the Company in competitive edge in the industry. Quality, assurance and timely delivery of the services provides the Company a strong brand image and reputation.</p> <p>The Company has implemented ISO 9001: 2015 across all business verticals.</p>		Positive
5.	Government Initiatives	Opportunity	<p>Government of India has taken various initiatives to support the development of gas pipeline Infrastructure sector like expansion of the number of geographical areas, allocation of funds and setting up targets etc. The government has also taken significant steps to facilitate the transition to a gas-based economy. Atmanirbhar Bharat is promoting market-driven incentives and policies to encourage relevant initiatives.</p>	-	Positive
6.	Competition risk	Risk	<p>The Company might face competitive risks from other players in the market depending on the size, nature, and complexity of the project.</p>	<p>Technical and financial qualification of the Company would be one of the major criteria in determining the eligibility for the project. The Company is constantly enhancing technical and financial aspects along with performance, quality, timely completion of the projects and technical qualifications which provides edge over competitors.</p>	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7.	Potential global expansion of the company	Opportunity	We aim to expand our business verticals to reach wide range of geographical areas and the Company is exploring opportunities in the Middle East, Africa, and other similar countries where there is a significant demand for pipeline infrastructure companies. To further expand its presence, the Company has registered a Joint Venture in the Kingdom of Saudi Arabia and is expected to elevate our company's scale to even greater heights.	-	Positive
8.	Data privacy and security	Risk	Loss of sensitive and confidential information and impact on the reputation of the Company.	The company has mapped possible areas of such breaches and have implemented corrective measures through employee training on cybersecurity awareness, regular security assessments, incident response plans and essential protocols for data storage, backup, retrieval, access, and other important activities are established and followed on regular basis.	Negative
9.	Financial Performance	Opportunity	The Company considers its fiduciary duty to deliver on the expectations of shareholders through operational excellence and continued strengthening of its financial performance.	-	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	www.likhitha.co.in								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9																		
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	<p>Not all the enlisted policies may extend to our value chain partners.</p> <p>However, the Company ensures its suppliers / contractors to comply with the law of land by getting such clauses incorporated in their respective purchase orders/ contracts/ agreements and terms and conditions of the tenders.</p>																										
4. Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	<p>All the policies are in compliance with respective principles of NGRBC guidelines, the Companies Act, 2013, and in adherence with the international standards of ISO 9001:2015, as applicable to respective policies.</p>																										
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	-																										
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	-																										
Governance, leadership and oversight																											
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	<p>The Company has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company with healthy growth of the Company.</p> <p>The Company ensures healthy and safety of employees, equal opportunities, skill upgradation, safety workplace and overall wellbeing of employees. We take appropriate measures in the organization to protect our employees from any harm. The Company has periodically reviews key policies such as code of business conduct and ethics, whistle blower policy, grievance redressal policy etc.</p> <p>We have adopted the path of responsible business and are committed to achieve Environment, and Social Endeavours across our business practices. We are committed to implementing innovative methodologies to adapt industry best practices. We strive to comply with all the applicable Environmental and Social regulations. We continuously expand our service portfolio, thereby leading the infrastructure industry and taking pride in contributing to the creation of sustainable infrastructure.</p> <p>The Company remain committed to our ESG journey, and we look forwards to create a brighter and more sustainable future for all.</p> <p>Mr. Srinivasa Rao Gaddipati, Managing Director</p>																										
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	<p>Name: Mr. Srinivasa Rao Gaddipati DIN: 01710775 Designation: Managing Director Telephone Number- 91-40-23752657 Email id- gsrao@likhitha.in</p>																										
9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	<p>RiSK Management Committee has been tasked with decision-making authority on all aspects related to sustainability issues.</p> <p>Risk Management Committee comprises of</p> <table border="1"> <thead> <tr> <th>Name</th> <th>Category</th> <th>Designation</th> </tr> </thead> <tbody> <tr> <td>Srinivasa Rao Gaddipati</td> <td>Chairman</td> <td>Managing Director</td> </tr> <tr> <td>Jayashree Voruganty</td> <td>Member</td> <td>Independent Director</td> </tr> <tr> <td>Sivasankara Parameswara Kurup Pillai</td> <td>Member</td> <td>Independent Director</td> </tr> <tr> <td>Sudhanshu Shekhar</td> <td>Member</td> <td>Chief Executive Officer</td> </tr> <tr> <td>Likhitha Gaddipati</td> <td>Member</td> <td>Whole Time Director and Chief Financial Officer</td> </tr> </tbody> </table>									Name	Category	Designation	Srinivasa Rao Gaddipati	Chairman	Managing Director	Jayashree Voruganty	Member	Independent Director	Sivasankara Parameswara Kurup Pillai	Member	Independent Director	Sudhanshu Shekhar	Member	Chief Executive Officer	Likhitha Gaddipati	Member	Whole Time Director and Chief Financial Officer
Name	Category	Designation																									
Srinivasa Rao Gaddipati	Chairman	Managing Director																									
Jayashree Voruganty	Member	Independent Director																									
Sivasankara Parameswara Kurup Pillai	Member	Independent Director																									
Sudhanshu Shekhar	Member	Chief Executive Officer																									
Likhitha Gaddipati	Member	Whole Time Director and Chief Financial Officer																									
10. Details of Review of NGRBCs by the Company																											

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee	Frequency (Annually/ Half yearly / Quarterly / Any other – please specify)								
		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Y Y Y Y Y Y Y Y Y	On a need basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y Y Y Y Y Y Y Y Y	On a need basis								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
		The Company has not carried any assessment or evaluation of the working of its policies by any external agency. However, the internal mechanism is in place to ensure that the policies are implemented across the Company's locations.								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/ No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

Essential Indicators

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

Segment	Total Number of Training and Awareness Programmes Held	Topics / Principles Covered Under the Training and Its Impact	%age of Persons in Respective Category Covered by the Awareness Programmes
Board of Directors	1	Code of Conduct, cyber security, Responsible Business conduct, quality management, Insider Trading, Compliance, awareness about the recent amendments in SEBI (LODR) Regulation 2015 etc.	100%
Key Managerial Personnel	1	The Company regularly familiarizes the Directors and its key managerial Personnel about the policies, its operations, financials, and all other relevant issues.	100%
Employees other than BoD and KMPs	37	Safety awareness, training programs on career and skill development, Anti-Bribery and Anti-Corruption, Human Rights, Prevention of Sexual Harassment, social accountability etc.	95%
Workers	NA	-	-

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies/ judicial institutions, in the financial year, in the following format:

Monetary					
	NGRBC Principle	Name of the Regulatory / Enforcement Agencies / Judicial Institutions	Amount (In INR)	Brief of the Case	Has an Appeal Been Preferred? (Yes/No)
Penalty / Fine	There are no such cases during the reporting period.				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the Regulatory / Enforcement Agencies / Judicial Institutions	Amount (In INR)	Brief of the Case	Has an Appeal Been Preferred? (Yes/No)
Imprisonment	There are no such cases during the reporting period.				
Punishment					

3. Of the instances disclosed in Question 2 above, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the Regulatory / Enforcement Agencies / Judicial Institutions
Not applicable	

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

Yes, Likhitha Infrastructure Limited is committed to upholding highest standards of moral and ethical conduct of business operations and the Company does not allow corrupt practices in any form, including bribery. It emphasizes on gifts, business courtesies, hospitality, donations etc.

This policy underscores the Company's proactive approach in establishing and executing robust measures to both prevent and detect instances of bribery and other corrupt activities within its operations. The policy extends to all our stakeholders like Board of Directors, Key Managerial Personnel, employees, customers, suppliers, and all other persons / entities associated with the Company. The Company has code of Business Conduct and Ethics where anti-corruption or anti-bribery is covered. The policy is available on the Company's website at <https://www.likhitha.co.in/policies.html>

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

Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	Nil	Nil
KMP's	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest

Topic	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

Nil

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil	Nil	Nil

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

Yes. The Company has strong mechanism in place to avoid / manage conflict of interest and to ensure that the Board members/senior managerial personnel do not take an undue advantage of their position and should avoid any potential conflicts of interest with the Company. As a process, the company receives annual disclosure from the board at the beginning of every financial year, with respect to any change in his/her interests. The interested director is not allowed to participate in the discussion and vote on the business item taken up for approval in which the concerned director remains present.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

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

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

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)
 - If yes, what percentage of inputs were sourced sustainably?
Not applicable
- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
Not applicable as the Company is not engaged in manufacturing activities
- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.
Not applicable

Leadership Indicators

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

NIC Code	Name of Product /Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment Was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated In public domain (Yes/No) If yes, provide the web-link
-	-	-	-	-	-

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

Name of Product / Service	Description of the risk / concern	Action Taken
Not Applicable		

- Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).
Not Applicable
- Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:
Not Applicable
- Reclaimed products and their packaging materials (as percentage of products sold) for each product category.
Not Applicable

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

1. a. Details of measures for the well-being of employees

Category	% of Employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)
Permanent employees											
Male	863	467	54.11	863	100	-	-	-	-	-	-
Female	8	7	87.5	8	100	8	100	-	-	-	-
Total	871	474	54.42	871	100	8	0.92	-	-	-	-
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

b. Details of measures for the well-being of workers

Category	% of Employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)
Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other than Permanent employees											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-

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

Benefits	Current financial year			Previous financial year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/ N.A)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N / N.A)
PF	95.75	-	Y	89.95	-	Y
Gratuity	42.37	-	Y	28.12	-	Y
ESI	63.16	-	Y	69.36	-	Y
Others – please specify	-	-	-	-	-	-

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

Yes. Our company premises are accessible to differently abled employees including adequate facilities and arrangement to help the differently abled people. However, The nature of the industry may involve tasks that require specific physical capabilities, dexterity, or sensory skills that may not be easily accommodated for individuals with different abilities. Additionally, the work environment may

pose safety risks or other limitations that make it challenging to ensure equal opportunities and access for individuals with disabilities.

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

Yes, The Company has policy on equal opportunities and does not discriminate on the grounds of race, colour, religion, sex, age, marital status, disability, national origin, or any other factor made unlawful by applicable laws and regulations. The policy is available on the Company's website at <https://www.likhitha.co.in/policies.html>.

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	None of the employees / workers (both male & female) availed the parental leave during the year 2022-23 and hence - Not Applicable.			
Female				
Total				

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

Category	Yes / No (If Yes, then give details of the mechanism in brief)
Permanent Workers	NA
Other than permanent workers	NA
Permanent Employees	Yes The Company has implemented Whistle Blower Policy and Policy on Prevention of Sexual Harassment. The employees can report their grievances to Head of the department through an respective email IDs/ info@likhitha.in or contact No- 04023752657 or by sending a complaint letter at the company's registered office address at 8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana – 500073, India. Any complaint related to sexual harassment can be reported to Internal Complaints Committee (ICC). The Policies are available on the Company's website at https://www.likhitha.co.in/policies.html
Other than permanent employees	NA

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

Category	Current financial year			Previous financial year		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or union (D)	% (C/D)
Total Permanent Employees	-	-	-	-	-	-
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total Permanent Workers	-	-	-	-	-	-
Male	-	-	-	-	-	-

Category	Current financial year			Previous financial year		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or union (D)	% (C/D)
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	Current financial year					Previous financial year				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	863	863	100	863	100	1007	1007	100	1007	100
Female	8	8	100	8	100	8	8	100	8	100
Total	871	871	100	871	100	1015	1015	100	1015	100
Workers										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-

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

Category	Current financial year			Previous financial year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	863	863	100	1007	1007	100
Female	8	8	100	8	8	100
Total	871	871	100	1015	1015	100
Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total	-	-	-	-	-	-

10. Health and safety management system

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

Yes. The Company prioritizes the well-being and safety of its employees as a fundamental aspect of its operations and has implemented robust and compliant protocols across all areas of operation, ensuring the safety of everyone involved.

The Company provides health and safety working conditions to its employees in accordance with applicable laws and regulations. Safety officers appointed at project sites to ensure the safety of employees and any risk anticipated will be informed to the management to take an immediate action. We operate under a comprehensive safety program with a goal of ZERO ACCIDENTS. This objective is achieved through the development and implementation of an occupational health, safety, and environmental management system that adheres to international standards.

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

The Company conducts routine safety drills to assess the effectiveness of its safety protocols and identify potential risks that may arise during work-related operations. Additionally, the Company maintains regular interaction with on-site personnel to gather feedback and evaluate any hazards they have encountered or anticipated. This feedback is thoroughly analysed to identify potential risks and develop appropriate Strategies for mitigating them.

The Company has also appointed safety officers to assess the risks associated with the work on routine and non-routine basis. The safety officers at each office directly reports to the management on potential risks and takes corrective actions/measures accordingly.

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

Yes. The safety officers at each level interacts with the employees/ workers to report their work related hazards.

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

Yes. Certainly, The Company ensures that all its sites have access to non- occupational medical and healthcare services. These services are provided either on-site or through partnerships with reputable medical entities located nearby.

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

Safety incident / Number	Category	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million- person hours worked)	Employees	1.29	1.63
Total recordable work-related injuries	Employees	3	4
No. of fatalities	Employees	Nil	Nil
High consequence work-related injury or ill- health (excluding fatalities)	Employees	Nil	Nil

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

- Regular site review, inspections and audits to assess safety preparedness.
- Regular mock drills on medical emergencies.
- Safety training and awareness programmes to employees.
- Adoption of safety policies and systems in place.
- Compliance with the applicable statutory requirements.
- Insurance benefits to all employees.
- Accommodation with basic facilities and amenities, food, portable drinking water etc.

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

	FY 2022-23 (Current Financial Year)			FY 2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

Note: Company has internally assessed health & safety practices and working conditions

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

We prioritize the health and safety of an employees and the safety officer will assess continuously to avoid complexities across all project sites. These are also monitored on a regular basis. There have been no significant risks/concern arising from assessments of health & safety practices and working conditions.

Leadership Indicators**1. Does the entity extend any life insurance or any compensatory package in the event of death of**

(A) Employees (Y/N): Yes

(B) Workers (Y/N): Not applicable

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

The Company ensures all applicable clauses regarding statutory dues are incorporated in agreement with value chain partners.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees / workers		No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	Nil	Nil	Nil	Nil

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

Yes

5. Details on assessment of value chain partners

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

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

Nil

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

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

The stakeholder groups are identified based on the nature of their engagement with the Company. The Company has identified its core stakeholder groups such as Employees, vendors/ sub- contractors, Government and Regulatory Authorities, Customers, Investors, Local Community and NGOs and CSR Partners.

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

Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Client meetings, performance reports, Email, Website, Meetings	Need basis	Understand client needs, business challenges, deciding investments and capabilities required to fulfil the demands and Quality, timely delivery of orders. Update on material developments
Employees	No	Email, SMS, Website, Meetings, training programmes	Continuous	Career/skill development programmes, health and safety awareness, anti-bribery and anti-corruption practices, Human Rights and Update on material developments
Shareholders/ Investors	No	AGMs, Email, Website, Newspapers, investor presentations, Notices	Regular/need basis	Financial performance, Update on material events.
Suppliers	No	Email, Website, Meetings, inspection and regular interactions	Continuous	Transparency, Ethical conduct of business, anti-bribery and anti-corruption practices, cost efficient and quality
Communities	No	Website	Need basis	CSR, Transparency, Ethical, Anti-Bribery & Anti-Corruption Practices

Stakeholder group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community, Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and Regulatory Authorities	No	Email, Newspaper, meetings, website, statutory filings and disclosures	Continual/need basis	Disclosures, Compliances, Corporate governance, Transparency

Leadership Indicators

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

The Board of Directors, through the Corporate Social Responsibility and Risk Management Committee, reviews, monitors and provides strategic direction to the Company's social responsibility obligations and other societal and sustainability practices. Accordingly, during the quarterly management review meetings, and other board – level meetings, these committees review the inputs provided by the stakeholders are discussed and devise an action plan is devised to address them. These inputs from stakeholders also help the Company to develop its business strategy. The relevant updates are provided to the board/respective committees of the board on a periodic basis.

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

Yes. The Company undertook a materiality assessment and proactively engaged with the organization's important external and internal stakeholders. The decision to engage stakeholders was based on five factors related to their relationship with the company, as outlined by the Global Reporting Initiative (GRI) guidelines: Responsibility, Influence, Proximity, Dependency, and Representation. Customers, supply chain partners, industry groups, non-governmental organizations (NGOs), local community organizations, investors, regulators, the media, and research institutes were among the external stakeholders involved in this exercise. The Company interviewed and surveyed these stakeholders, supplemented by secondary research on our suppliers and distributors, as well as peer companies and competitors. Their inputs were considered in identification of the key ESG topics for the Company.

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

No such instances were occurred.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

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

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	871	871	100	1015	1015	100
Other than permanent	-	-	-	-	-	-
Total Employees	871	871	100	1015	1015	100
Workers						
Permanent	-	-	-	-	-	-
Other permanent	-	-	-	-	-	-
Total Workers	-	-	-	-	-	-

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

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	863	277	32.09%	586	67.90%	1007	385	38.23%	622	61.77%
Female	8	-	-	8	100%	8	-	-	8	100%
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Other than Permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-

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

(₹ in Lakhs)

	Male		Female	
	Number	Median remuneration / salary /wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)*	4	3.50	3	18.60
Key Managerial Personnel	1	18.60	1	1.76
Employees other than BoD and KMP	862	2597.48	6	15.00
Workers	-	-	-	-

*Note: This includes MD and WTD & CFO

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

Yes

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

The Company is committed to deal concerns in a fair and impartial manner. The Company has grievance redressal mechanism on sexual harassment and such cases can be reported to internal Complaints Committee (ICC). If any employee have concerns regarding violation of human rights can report at info@likhitha.in and the resolution can be provided in consultation with the higher authorities.

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

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/ Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

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

The Company is committed to provide safe and harassment free working environment. The Company has established an internal complaints committee in compliance with provisions under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Any employee can report their grievances through an email at hr@likhitha.in. The company does not tolerate any retribution against any person who has reported in good faith concerns.

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

9. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

Note: Company has internally assessed

- 10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.** There were no significant risks / concerns arising from the human rights assessments.

Leadership Indicators

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

The company has processes to address any human rights grievances or complaints, e.g., Grievance redressal policy, Prevention of Sexual Harassment at Workplace policy etc. Further, the company also introduced improvement measures for its employees through various training sessions.

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

Human Rights Due Diligence was not conducted during the reporting year.

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

Yes, our company premises are accessible to differently abled employees and visitors.

- 4. Details on assessment of value chain partners:**

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

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

No significant risks / concerns were raised during the reporting year.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A) MJ	91,929.60	87,540.02
Total fuel consumption (B) MJ	5.01	6.23
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C) MJ	91,934.61	87,546.25
Energy intensity per rupee of turnover (Total energy consumption / turnover rupees in lakhs)	2.62	3.40

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

No. The Company has not conducted any such assessment/evaluation/assurance by any external agency.

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

No. The PAT scheme is not applicable.

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	36,045	28,623
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	36,045	28,623
Total volume of water consumption (in kilolitres)	36,045	28,623
Water intensity per rupee of turnover (Water consumed / turnover rupees in lakhs)	1.03	1.11

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

No. The Company has not conducted any such assessment/evaluation/assurance by any external

agency

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

Not applicable

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

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	µg/m ³	51.70	49.06
SOx	µg/m ³	30.30	28.52
Particulate matter (PM)	µg/m ³	84.63	81.78
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	mg/m ³	Nil	Nil
Others – please specify	PPM	Nil	Nil

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

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)		-	-
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

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

No. The Company has not conducted any such assessment / evaluation / assurance by any external agency

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

Not Applicable

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

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

No independent assessment was carried out by any external agency

- 9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. Not Applicable**
- 10. If the entity has operations / offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/offices	Type of Operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
The company does not have any plants and offices in the above mention areas. Being an infrastructure service provider company, operations are carried out at the project sites where environmental approval and clearances are obtained by the clients / owner of the project. However, the Company ensures its compliance with the environmental laws, as applicable.			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Being an infrastructure service provider company, operations are carried out at the project sites where environmental impact assessments of projects are undertaken by the clients / owner of the project. However, the Company ensures its compliance with the environmental laws, as applicable.					

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

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

Leadership Indicators

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

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	-	-
From non-renewable sources		
Total electricity consumption (D) MJ	91,929.60	87,540.02
Total fuel consumption (E) MJ	5.01	6.23
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F) MJ	91,934.61	87,546.25

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

No. The Company has not conducted any such assessment / evaluation/assurance by any external agency.

2. Provide the following details related to water discharged:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

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

No. The Company has not conducted any such assessment / evaluation / assurance by any external agency

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

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area – Project Sites
- (ii) Nature of operations – Construction of Oil & Gas Pipelines
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater MJ	36,045	28,623
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	36,045	28,623

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total volume of water consumption (in kilolitres)	36,045	28,623
Water intensity per rupee of turnover (Water consumed / turnover Rupees in Lakhs)	1.03	1.11
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	-	-

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

No. The Company has not conducted any such assessment / evaluation / assurance by any external agency

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

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an

external agency? (Y/N) If yes, name of the external agency.

No. The Company has not conducted any such assessment / evaluation / assurance by any external agency

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.** – Not Applicable
6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No.	Initiative Undertaken	Details of the Initiative (Web-link, if any, may be provided along-with summary)	Outcome of the Initiative
Not Applicable			

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

Yes, the company has implemented emergency preparedness plans at each project site to effectively handle emergency situations. These plans include response procedures aimed at preventing and mitigating hazards, risks, and environmental impacts associated with emergencies. The plans also encompass provisions for first aid. In the event of an emergency, a thorough investigation will be conducted, and appropriate preventive measures will be taken to prevent future recurrences. We ensure that relevant information and training on emergency preparedness and response are provided to all stakeholders. Additionally, the duties and responsibilities of all employees are regularly communicated.

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

We have received no reports of any major adverse impacts from our partners in the value chain.

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

The company endeavors that all its value chain partners comply with the policies of the company. The certification of Supplier Code of Conduct is obtained from all major material suppliers which covers the need for compliance including environmental regulations. We are working towards bettering our evaluation and auditing mechanism and making it more specific to Sustainability requirements as well as our material points.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

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

One (01)

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

S. No.	Name of the Trade and Industry Chambers / Associations	Reach of Trade and Industry Chambers/ Associations (State/National)
1.	The Federation of Telangana Chambers of Commerce and Industry	State

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

Name of Authority	Brief of the Case	Corrective Action Taken
Nil		

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Not Applicable					

PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

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

Not Applicable

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

We continuously engage with the local communities around project sites or through CSR activities. Any community member can directly lodge their complaints to the Company through an email at info@likhitha.in or contact no. 040-23752657. Redressal of the grievances shall be done on one to one basis.

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

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directly sourced from MSMEs / small producers	Consolidation not done	Consolidation not done
Sourced directly from within the district and neighbouring districts	Consolidation not done	Consolidation not done

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

S. No.	State	Aspirational District	Amount spent (In INR)
1.	Tamil Nadu	Ramanathapuram	7,00,000/-

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

No

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

Not Applicable

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

Not Applicable

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

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

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

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
CSR projects were implementing through an agency and the details are not available			

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

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

Likhitha Infrastructure Limited does not manufacture any products or provide any services to end consumers. We are providing pipeline laying services in the field of oil and gas sector. The company executes infrastructure projects and receives satisfactory completion certificate from the customer.

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

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

3. Number of consumer complaints in respect of the following:

	FY 2022-23 Current Financial Year		REMARKS	FY 2021-22 Previous Financial Year		REMARKS
Data Privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber Security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential Services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

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

	Number	Reasons for Recall
Voluntary Recalls	NA	NA
Forced Recalls	NA	NA

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

The Company places significant importance on its cyber security policy as a crucial means of protecting its digital assets from cyber threats. The policy encompasses areas such as information systems, networks, data security, roles and responsibilities, and incident response procedures.

All employees, contractors, and interns are required to comply with this policy, which includes measures such as safeguarding confidential data, securing devices, practicing safe email practices, managing passwords effectively, ensuring secure data transfer, and promptly reporting security breaches.

The policy is available in the internal portal of the company.

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

None

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).** <https://www.likhitha.co.in/>
2. **Steps taken to inform and educate consumers about safe and responsible usage of products and / or services.**
Not Applicable
3. **Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.**
Not Applicable
4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes / No / Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes / No)**
Not Applicable
5. **Provide the following information relating to data breaches:**
 - a) **Number of instances of data breaches along-with impact:**
Nil
 - b) **Percentage of data breaches involving personally identifiable information of customers:**
Not Applicable

PARTICULARS OF EMPLOYEES

A. Information relating to remuneration of Directors / Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- 1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year and the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, or Manager, if any, in the Financial Year:**

Name of the Directors & KMP	Ratio to Median	% Increase / (decrease) in Remuneration
Mr. Sudhanshu Shekhar, Chief Executive Officer	7.79:1	-
Mrs. Likhitha Gaddipati, Chief Financial Officer	7.54:1	NA [^]
Mrs. Triveni Banda Company Secretary and Compliance Officer	NA	-
Ms. Pallavi Yerragonda Company Secretary and Compliance Officer	NA	-

* Not applicable as they were not employed throughout the year.

[^] Likhitha Gaddipati was re-designated from the position of Non-Executive Non-Independent Director to Whole Time Director w.e.f 01.10.2021.

- 2. The percentage increase in the median remuneration of employees in the Financial Year: 4.39%**
- 3. The number of permanent employees on the rolls of Company: 871**
- 4. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The percentage increase in the salaries of employees other than Managerial Personnel in Financial Year 2022-23 was 4.39%. The increments given to employees are based on their potential, performance, and contribution, which are bench marked against applicable Industry norms.

- 5. Affirmation that the remuneration is as per the Remuneration Policy of the Company**

It is affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel, and other employees, adopted by the Company.

B. Information relating to remuneration of Directors / Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(Amount in ₹ lakhs)

S. No.	Employee Name	Designation	Educational Qualification	Age (Years)	Experience	Date of Joining	Gross Remuneration Paid	Previous Employment	No. of Shares if any (% of holding in the company)	Whether relative to Director or Manager
1.	P.K. Chakraborty	Vice President	B E (Mech) & MBA	54	30+Years	15.03.2016	22.20	Cairn India Limited through Brunel	-	No
2.	Sudhanshu Shekhar	Chief Executive Officer	BE (Mech) & MBA	43	20 Years	12.02.2018	18.60	Natural Gas & Water Pipeline Projects and City Gas Distribution Projects	9,624 (0.02%)	No
3.	Likhitha Gaddipati	Chief Financial Officer	Masters in Information Technology	28	5+Years	01.10.2021	18.00	Uber Technologies Inc	3,250 (0.01%)	Yes
4.	Chandra Dheerajram	GM - Operations	Masters in Computer Science	28	6+Years	01.10.2021	18.00	State Farm	-	Yes
5.	MD. Sarfaraz Alam	Project Manager	Diploma (Mech)	43	21+Years	01.02.2017	16.89	Indian Oil Corporation Limited	-	No
6.	Pardip Kumar Singh	RCM	BE (Mechanical)	46	24 Years	24.09.2019	14.40	Punj Lloyd (OMAN)	-	No
7.	M Srinivasa Sudhakar	Sr Project Manager	Diploma (Mech)	44	22+Years	14.11.2018	14.40	VCS Quality Services (India) Pvt. Ltd.	-	No
8.	Cheeli Ravindra	Project Manager	BE (Mechanical)	45	26 Years	29.07.2021	13.20	Mideast Pipeline Products	-	No
9.	Ranjit Mohanty	Project Manager	BE (Mechanical)	55	34 years	10.11.2021	13.00	EPMC Consultant Worley Services India Pvt Ltd	-	No
10.	Binay Kumar Dubey	RCM	Incharge QA/QC	43	21 Years	04.05.2016	11.04	Mott MackDonald Private Limited	-	No

C. No employee of the Company who was appointed for throughout the year was in receipt of remuneration for an amount of One Crore and Two Lakh Rupees or above during the FY 2022-23.

D. No employee of the Company who was appointed for part of the year was in receipt of remuneration for an amount of Eight Lakh and Fifty Thousand Rupees per month or above during the FY 2022-23.

for and on behalf of the Board
for **Likhitha Infrastructure Limited**

Place : Hyderabad
Date : August 09, 2023

Sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

Sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

REPORT ON CORPORATE GOVERNANCE

[As required under Reg.34 (3) and Schedule V(C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Company's Philosophy on Corporate Governance

- The Company is committed to the highest standards of Corporate Governance Practices.
- The Company relies on strong corporate governance systems and policies of business for healthy growth, accountability and transparency. Good corporate governance will certainly benefit the Board and the management to carry out the objectives effectively for the benefit of the Company and its shareholders. The Code of Corporate Governance emphasizes the transparency of systems to enhance the benefit of shareholders, customers, creditors and employees of the Company.
- In addition to compliance with regulatory requirements, the Company endeavors to ensure that the highest standards of ethical conduct are maintained throughout the organization.
- The Company has complied with the requirements of corporate governance in accordance with the applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- At the forefront of benchmarking its internal systems and policies with global practices. Your Company believes that it needs to show a greater degree of responsibility and accountability. It is committed to provide fair, transparent and equitable treatment to all its stakeholders.
- We have always sought to be a value driven organisation, where our growth and success is directed by our values.
- The Company has complied with the norms of governance as provided in Chapter IV and Schedule II of the LODR Regulations during the year under review.

2. Board of Directors

- The Board of Directors along with its committees provides focus and guidance to the Company's management as well as directs and monitors the performance of the Company. The Board has rich and vast experience with specialized skills in their respective fields.
- The Board comprises an optimum combination of Executive, Non-Executive, Independent and Women Directors as per the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. As on March 31, 2023, the Board Comprises of Seven (07) Directors out of which are Four (04) Independent Directors including One Woman Independent Director, One (01) Non-Executive Non-Independent Director and Two (02) Executive Directors.
- Necessary disclosures made by the Board of Directors regarding their directorships along with committee positions held by them in other companies as on March 31, 2023, are given herein below:

S. No.	Name of the Director	Category & Designation	No of Board Meetings during the Year		Attendance at AGM held on 26.09.2022	No of Directorships held in other Companies [§]	Committee [#]	
			Held	Attended			Chairmanship	Membership
1	Mr. Sivasankara Parameswara Kurup Pillai	Chairman, Non-Executive Independent Director	8	6	Yes	Nil	01	01
2	Mr. Srinivasa Rao Gaddipati	Managing Director & Promoter	8	8	Yes	01	Nil	02
3	Mrs. Likhitha Gaddipati	Whole-Time Director & Promoter	8	8	Yes	Nil	Nil	Nil
4	Mrs. Sri Lakshmi Gaddipati	Non-Executive Non-Independent Director	8	6	Yes	01	Nil	01
5	Mr. Venkata Sesa Talpa Sai Munupalle	Non-Executive Independent Director	8	7	Yes	Nil	01	Nil
6	Mr. Venkatram Arigapudi	Non-Executive Independent Director	8	5	Yes	Nil	Nil	Nil
7	Ms. Jayashree Voruganty	Non-Executive Independent Director	8	5	No	Nil	Nil	Nil
8	*Mr. Kutumba Rao Gaddipati	Non-Executive Non-Independent Director	8	4	Yes	Nil	Nil	Nil

@ Note: Excluding directorship in foreign companies and companies incorporated u/s. 8 of the Companies Act, 2013, but including private limited companies.

§ None of the Directors aforementioned are directors of other listed entities.

Only membership of Audit and Stakeholders Relationship Committees of public limited companies including Likhitha infrastructure Limited are considered.

*Mr. Kutumba Rao Gaddipati ceased to be a director of the Company with effect from 08.02.2023.

None of the Director on the Board -

- Holds directorship in more than ten (10) Public Companies.
- Is a member in more than seven (7) listed entities.
- Is a member of more than ten (10) committees and chairperson of more than five (5) committees
- Serves as an independent director of more than seven (7) listed entities and if he serves as a Whole-Time Director / Managing Director of a listed Company, more than three (3) entities.

Number of Board meetings held during the year under review:

During the year under review, eight (8) Board meetings were held on the following dates:

Date of Meeting	Total Number of Members as on the Date of the Meeting	Attendance	
		Number of Members Attended	% of Attendance
13.05.2022	8	5	62.5
28.05.2022	8	7	87.5
28.06.2022	8	4	50.0
10.08.2022	8	8	100.0
26.09.2022	8	6	75.0
10.11.2022	8	8	100.0
22.12.2022	8	4	50.0
08.02.2023	8	7	87.5

In compliance with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the gap between two consecutive meetings did not exceed one hundred and twenty days (120 days) and the necessary quorum was present for all the meetings.

Disclosure of Relationships between the Directors inter-se:

Except the directors as below mentioned who are related to each other, no other director has any relationship with any other director.

S. No.	Name of the Director	Name of the Other Relative Director	Nature of Relationship
1	Mrs. Likhitha Gaddipati	Mr. Srinivasa Rao Gaddipati, Managing Director (Promoter)	Daughter of Mr. Srinivasa Rao Gaddipati
2	Mrs. Sri Lakshmi Gaddipati	Mr. Srinivasa Rao Gaddipati, Managing Director (Promoter)	Spouse of Mr. Srinivasa Rao Gaddipati

Number of shares and convertible instruments held by Non-Executive Directors:

None of the Non-Executive Directors hold any equity shares or convertible instruments in the Company as on March 31, 2023, except the following:

S. No.	Name of the Director	Category	Number of Shares Held
1	Mrs. Sri Lakshmi Gaddipati	Non-Executive Non-Independent Director	7,31,250

Web link where details of familiarisation programmes imparted to independent directors:

The details of the programmes conducted by the Company for the familiarisation of Independent Directors are available on the Company's website at http://www.likhitha.co.in/code_of_conduct.html

The matrix presenting the directors' area of expertise against their experience in the respective field is specified hereunder:

The list of core skills / expertise / competencies which are identified by the Board of Directors as required in the context of the business of the Company to function effectively are:

- a. Business and Administration
- b. Finance and accounts
- c. Legal and governance
- d. Industry knowledge
- e. Risk management
- f. Analytical skills
- g. Decision making skills
- h. Leadership skills

Director-wise skills to be presented:

Name of the Director	Designation	Years of Experience	Field of Expertise
Mr. Sivasankara Parameswara Kurup Pillai	Non-Executive Independent Director (Chairman)	30+ Years	Decision making Skills & Industry Knowledge
Mr. Srinivasa Rao Gaddipati	Managing Director	30+ Years	Business and Administration, Risk Management, Decision making Skills, Leadership Skills & Industry Knowledge
Mrs. Likhitha Gaddipati	Whole-Time Director	05+ Years	Analytical Skills, Leadership Skills & Decision making skills
Mrs. Sri Lakshmi Gaddipati	Non-Executive Director	10+ Years	Business and Administration
Mr. Venkata Sesha Talpa Sai Munupalle	Non-Executive Independent Director	25+ Years	Legal, Governance, Finance and Accounts
Mr. Venkatram Arigapudi	Non-Executive Independent Director	25+ Years	Legal, Governance, Industry knowledge & Marketing expertise
Ms. Jayashree Voruganty	Non-Executive Independent Director	25+ Years	Legal, Governance Finance and Accounts

Confirmation that in the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that in its opinion the Independent Directors fulfil the conditions specified in the listing regulations and are independent of the management.

Meeting of Independent Directors

A separate meeting of the Independent Directors was held on February 08, 2023, inter alia, to review the performance of the Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company and to assess the quality, quantity, and timeliness of flow of information between the Company management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

In terms of Regulation 25(8) of SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In the opinion of the Board, the Independent Directors fulfil the conditions as specified in Regulation 16 (1)(b) of listing regulations read with Schedule IV of the Companies Act, 2013 and that they are independent of the management.

3. Audit Committee

The primary objective of the Audit Committee of the Company is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity, and quality of financial reporting.

The company has constituted a qualified and independent Audit Committee comprising of 2/3 members as independent directors including the chairman of the committee in compliance with Regulation 18 of SEBI (LODR) Regulations, 2015, and Section 177 of the Companies Act, 2013.

The Audit Committee is empowered with the role and powers as prescribed in Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Committee also acts in accordance with the terms of reference and directions of the Board from time to time.

The terms of reference of the audit committee inter-alia includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of our Company;
- approval of payment to statutory auditors for any other services rendered by them;
- review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the Director's Responsibility Statement to be included in the board of directors' report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by the management of our Company;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions; and
 - g) modified opinion(s) in the draft audit report.
- reviewing, with the management, the quarterly and any other partial year- period financial statements before submission to the board of directors for their approval;
- review, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to our board of directors to take up steps in this matter;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- subject to and conditional upon approval of our Board, approval of related party transactions or subsequent modifications thereto. Such approval can be in the form of omnibus approval of related party transactions, subject to conditions not inconsistent with the conditions specified in Regulation 23(2) and Regulation 23(3) of the SEBI LODR Regulations;
- subject to review by our Board, review on quarterly basis, of related party transactions entered into by our Company pursuant to each omnibus approval given pursuant to (viii) above;

- scrutinize inter-corporate loans and investments;
- valuation of undertakings or assets of our Company, wherever it is necessary;
- evaluate internal financial controls and risk management systems;
- review, with the management, performance of statutory and internal auditors, adequacy of the internal checks and control systems;
- review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discuss with internal auditors of any significant findings and follow up there on;
- review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- review the functioning of the whistle blower mechanism;
- oversee the procedures and processes established to attend to issues relating to the maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of our Company, whether raised by the auditors or by any other person;
- Act as a compliance committee to discuss the level of compliance in our Company and any associated risks and to monitor and report to the Board on any significant compliance breaches;
- Approve the appointment of the Chief Financial Officer of our Company (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience, and background, etc. of the candidate;
- Oversee the vigil mechanism established by our Company and the chairman of audit committee shall directly hear grievances of victimization of employees and directors, who use vigil mechanism to report genuine concerns; and
- Carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the board of directors of our Company or specified / provided under the Companies Act, 2013 or by the SEBI LODR Regulations or by any other regulatory authority.

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

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of our Company;
- management letters / letters of internal control weaknesses issued by the statutory auditors of our Company;
- internal audit reports relating to internal control weaknesses;
- the appointment, removal, and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and

- statement of deviations in terms of the SEBI LODR Regulations:
 - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and
 - b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice.

3.1. Composition of the Audit Committee and details of meetings held and attended by its members:

As on March 31, 2023, the Audit Committee comprises of two Independent Directors and One Executive Director and the Chairman of the Audit Committee is an Independent Director.

During the year under review, four meetings of the Audit Committee were held on May 28, 2022, August 10, 2022, November 10, 2022, and February 08, 2023. The gap between two meetings did not exceed one hundred and twenty days and necessary quorum was present at all the meetings.

The Composition of the Committee and details of attendance of the Committee members is given below:

Name	Designation	No. of Meetings held during the Year 2022-23	
		Held	Attended
Mr. Venkata Sesa Talpa Sai Munupalle	Chairman	4	4
Mr. Srinivasa Rao Gaddipati	Member	4	4
Mr. Sivasankara Parameswara Kurup Pillai	Member	4	4

The Committee acts as a link between the management, external and internal auditors, and the Board of Directors of the Company.

The Managing Director, CFO, internal auditors, and statutory auditors are also invited to the meetings, as required, to brief the Committee wherever required. The Company Secretary acts as the secretary of the Committee.

The Chairman of the Audit Committee also attended the last Annual General Meeting of the Company.

4. Nomination and Remuneration Committee

The Company has constituted Nomination and Remuneration Committee ("NRC") comprising of three Non-Executive Independent Directors including the chairman of the committee in compliance with the requirements of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013.

The Committee is empowered with the roles and powers as prescribed in Part D of Schedule II of SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013 and Nomination and Remuneration policy of the Company. The Committee acts in accordance with the terms of reference and the directions provided by the Board from time to time.

The Nomination and Remuneration Committee reviews the profiles & experience, performance appraisals and recommends the remuneration package payable to executive director(s) and other senior executives in the top-level management of the Company and other elements of their appointment to and acts in terms of reference of the Board from time to time. The Company's Remuneration Policy as applicable to directors, key managerial persons and other senior management personnel of the Company is posted on the company's website at the following web address: http://likhitha.co.in/img/content/policies/Nomination_and_Remuneration_Policy.pdf

The terms of reference of Nomination and Remuneration committee inter-alia includes the following:

- formulating and recommending to the Board for its approval and also to review from time to time, a nomination and remuneration policy or processes, as may be required pursuant to the provisions of the Companies Act;
- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the Directors, key managerial personnel, and other employees;
- identifying persons who are qualified to become directors and persons who may be appointed in senior management position in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- formulation of criteria for evaluation of performance of independent directors and the Board;
- recommending to the Board, qualifications, appointment, remuneration and removal of Directors, key management personnel and persons in senior management positions in accordance with the nomination and remuneration policy;
- devising a policy on diversity of the Board;
- carrying out performance evaluation of every Director in accordance with the nomination and remuneration policy;
- considering grant of stock options to eligible Directors, formulating detailed terms and conditions of employee stock option schemes, and administering and exercising superintendence over employee stock option schemes;
- engaging the services of any consultant / professional or other agency for the purpose of recommending compensation structure / policy;
- determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
- performing such other activities as may be delegated by the Board or specified or provided under the Companies Act, 2013 or the SEBI LODR Regulations, and the rules and regulations made thereunder or other applicable law, including any amendments thereto as may be made from time to time.

4.1. Composition of the Nomination and Remuneration Committee and details of meetings held and attended by its members:

During the year under review, one meeting was held on December 22, 2022. Necessary quorum was present at the meeting. The Composition of the Committee and details of attendance of the Committee members is given below:

Name	Designation	No of Meetings	
		Held	Attended
Mr. Venkatram Arigapudi	Chairman	1	1
Mr. Sivasankara Parameswara Kurup Pillai	Member	1	1
Mr. Venkata Sesha Talpa Sai Munupalle	Member	1	1

4.2. Performance Evaluation

Independent Directors have three key roles to play; those are:

- a. Governance
- b. Control
- c. Guidance

Pursuant to the provisions of the Companies Act, 2013, and the SEBI (LODR) Regulations, 2015, the Nomination and Remuneration Committee has recommended the guidelines for the evaluation of performance of Independent Directors. This largely includes:

- The qualification and experience of Independent Directors.
- The groundwork the Independent Directors perform before attending the meetings to enable them in giving valuable inputs during meetings.
- The exposure of Independent Directors in different areas of risks the entity faces and advice from them to mitigate the same.

In line with the Corporate Governance guidelines, evaluation of all Board members is done on an annual basis. This evaluation is done by the entire Board led by the Chairman with specific focus on the performance and effective functioning of the Board, the Committees of the Board, the individual directors and the same is reported to the Board. The evaluation process also considers the time spent by each of the Board members, core competencies, personal characteristics, accomplishment of specific responsibilities and expertise.

The entire Board of Directors (excluding the director being evaluated) held the performance evaluation of Independent Directors and on the basis of performance evaluation, the Board decided to continue the term of appointment / reappointment of Independent Directors.

Performance evaluation was done by the respective bodies on May 18, 2023. The performance evaluation of Independent Directors was completed to the satisfaction of Board.

4.3. Remuneration of Directors

The details of the remuneration paid to the Mr. Srinivasa Rao Gaddipati, Managing Director of the Company are as follows:

Category of Payment	Amount in Lakhs
Fixed Component	NIL
Performance Linked Incentives	--
Allowances, Perquisites & Others	--
Commission	--
Company's contribution to PF	--
Perks	--
Total	NIL

Apart from the above, Managing Director is also eligible for the leave encashment, leave travel concession, gratuity, superannuation, and other benefits in terms of his appointment and the rules of the Company.

The details of the remuneration paid to the Mrs. Likhitha Gaddipati, Whole Time Director and Chief Financial Officer of the Company as follows:

Category of Payment	Amount in Lakhs
Fixed Component	18.00
Performance Linked Incentives	--
Allowances, Perquisites & Others	--
Commission	--
Company's contribution to PF	--
Perks	--
Total	18.00

Apart from the above, Whole Time Director and CFO is also eligible for the leave encashment, leave travel concession, gratuity, superannuation, and other benefits in terms of his appointment and the rules of the Company.

Sitting Fee paid to Non-Executive Directors and their shareholding are as follows:

Name of the Director	Designation	Sitting Fees Paid (₹ in Lakhs)	No. of Shares held on 31.03.2023
Mr. Sivasankara Parameswara Kurup Pillai	Chairman, Non- Executive Independent Director	1.7	NIL
Mr. Venkata Sesha Talpa Sai Munupalle	Non-Executive Independent Director	1.1	NIL
Mr. Venkatram Arigapudi	Non-Executive Independent Director	0.7	NIL
Ms. Jayashree Voruganty	Non-Executive Independent Director	0.6	NIL

Other than the sitting fees paid to the Non-Executive Directors, they had no material pecuniary relationship or transaction with the Company. The Company has not issued any stock options to its directors / employees during the financial year under review.

Mrs. Sri Lakshmi Gaddipati and *Mr. Kutumba Rao Gaddipati, Non-Executive Directors of the Company have renounced their sitting fee during the Financial Year under review.

There are neither specific contracts nor any severance fees. The terms of appointment are as decided by the Board and the general body.

*Mr. Kutumba Rao Gaddipati ceased to be a Director w.e.f 08.02.2023.

5. Stakeholder Relationship Committee (SRC)

The Stakeholders Relationship Committee is empowered, inter alia, to review all matters connected with the Company's share transfers and transmissions and redressal of shareholders / investors' complaints like non-transfer of shares, non-receipt of dividend, Annual Report etc.

The composition and the terms of reference of Committee are in line with the requirements of provisions of the Companies Act, 2013, and Regulation 20 of SEBI (LODR), Regulations, 2015.

The terms of reference of Stakeholders Relationship Committee inter-alia includes the following:

- Consider and resolve the grievances of security holders of the Company including Investors' Complaints.
- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate / split / consolidated share certificates.
- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer / transmission of shares and debentures.
- Reference to statutory and regulatory authorities regarding investor grievances.
- To otherwise ensure proper and timely attendance and redressal of investor queries and grievances and
- To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

The Committee comprises of three (03) Directors with Non-Executive Director being the chairman of the Committee.

Ms. Pallavi Yerragonda, * Company Secretary is the Compliance Officer of the Company for attending to complaints / grievances of the members.

During the year under review, one meeting was held on February 08, 2023. Necessary quorum was present at the meeting. The Composition of the Committee and details of attendance of the Committee members is given below:

Name of the Director	Designation	No of Meetings	
		Held	Attended
Mr. Sivasankara Parameswara Kurup Pillai	Chairman	1	1
Mrs. Sri Lakshmi Gaddipati	Member	1	1
Mr. Srinivasa Rao Gaddipati	Member	1	1

Mr. Sivasankara Parameswara Kurup Pillai, Chairman of Stakeholder Relationship Committee attended AGM of the Company held on September 26, 2022.

The Stakeholders' Relationship Committee is empowered to oversee the redressal of investors' complaints pertaining to share transfer, non-receipt of annual reports, dividend payments, issue of duplicate share certificate, transmission of shares and other miscellaneous complaints. In accordance with Regulation 6 of the SEBI (LODR) Regulations, 2015, the Board has authorized the Company's Registrar and Transfer Agent (RTA) i.e., Bigshare Services Private Limited to approve the share transfers / transmissions and to comply with other formalities in relation thereto in coordination with the Compliance Officer of the Company. All the investors' complaints, which cannot be settled at the level RTA and the Compliance Officer, will be placed before the Committee for final settlement.

Name of the Non-Executive Director heading the committee	Mr. Sivasankara Parameswara Kurup Pillai
Name and designation of the Compliance Officer	*Ms. Pallavi Yerragonda, Company Secretary and Compliance Officer
Number of Shareholders' Complaints received during the financial year	1
Number complaints solved to the satisfaction of shareholders received during the financial year	1
Number of pending complaints as at March 31, 2023	NIL

* Ms. Pallavi Yerragonda was appointed as Company Secretary and Compliance Officer of the Company w.e.f. 22.12.2022.

6. Corporate Social Responsibility Committee (CSR Committee)

The Board has constituted a CSR Committee as per the provisions of Section 135 of the Companies Act, 2013, and entrusted the responsibility to comply with the said provisions to such Committee.

The terms of reference of CSR Committee inter-alia includes the following:

- specify the corporate social responsibility projects and programs to be undertaken during the year (specifying modalities of execution in the areas / sectors chosen and implementation schedules for the same);
- formulate and recommend to the board, a corporate social responsibility policy indicating the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013, as may be amended from time to time;
- approve the corporate social responsibility policy of our Company;
- recommend the amount of expenditure to be incurred on the corporate social responsibility activities;
- monitor the corporate social responsibility policy and corporate social responsibility activities from time to time;
- secure appropriate disclosures relating to corporate social responsibility as per the applicable provisions of the Companies Act, 2013;
- appraise the Board of corporate social responsibility activities;
- specify reasons for failure (if any) for not spending the corporate social responsibility amount in the Director's Report; and
- ensure that the expenses incurred on corporate social responsibility activities shall not be charged to the policyholders' account.

Composition of the Corporate Social Responsibility Committee and details of meetings held and attended by its members:

During the year under review, two meetings were held on August 10, 2022, and February 08, 2023. Necessary quorum was present in all the meetings.

The Composition of the Committee and details of attendance of the Committee members is given below:

Name of the Director	Designation	No of Meetings	
		Held	Attended
Mr. Srinivasa Rao Gaddipati	Chairman	2	2
Mrs. Sri Lakshmi Gaddipati	Member	2	2
Mr. Sivasankara Parameswara Kurup Pillai	Member	2	2

7. Risk Management Committee

Pursuant to provisions of Regulation 21(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Risk Management Committee and entrusted with the responsibility to frame, implement and monitor the Risk Management Plan for the Company. The Committee is responsible for reviewing the Risk Management Plan and ensuring its effectiveness. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The terms of reference of Risk Management Committee inter-alia includes the following:

- Formulate, monitor, and implement Risk Management Policy and the Policy;
- To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations, and actions to be taken;
- The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;
- Review the following with management, with the objective of obtaining reasonable assurance that financial risk is being effectively managed and controlled:
 - a) Management's tolerance for financial risks;
 - b) Management's assessment of significant financial risks facing the Company;
 - c) The Company's policies, plans, processes, and any proposed changes to those policies for controlling significant financial risks; and
 - d) To review with the Company's counsel, legal matters which could have a material impact on the Company's public disclosure, including financial statements; and
- Managing and monitoring the implementation of action plans developed to address material business risks within the Company and its business units, and regularly reviewing the progress of action plans;
- Setting up internal processes and systems to control the implementation of action plans;
- Regularly monitoring and evaluating the performance of management in managing risk;
- Providing management and employees with the necessary tools and resources to identify and manage risks;
- Regularly reviewing and updating the current list of material business risks;
- Regularly reporting to the Board on the status of material business risks;
- Review and monitor cyber security; and
- Ensuring compliance with regulatory requirements and best practices with respect to risk management.

Composition of the Risk Management Committee and details of meetings held and attended by its members:

During the year under review, three meetings were held on May 28, 2022, November 10, 2022, and February 08, 2023. Necessary quorum was present in all the meetings.

The Composition of the Committee and details of attendance of the Committee members is given below:

Name of the Director	Designation	No of Meetings	
		Held	Attended
Mr. Srinivasa Rao Gaddipati	Chairman	3	3
Ms. Jayashree Voruganty	Member	3	2
Mr. Sivasankara Parameswara Kurup Pillai	Member	3	2
Mr. Sudhanshu Shekhar	Member	3	3
Mrs. Likhitha Gaddipati	Member	3	3

8. General Body Meetings

i. The details of the last three Annual General Meetings (AGMs) are given below:

Financial Year	Date	Venue	Time	Description of Special Resolutions Passed
2021-22	26.09.2022	8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana - 500073	12.00 P.M.	No Special Resolution was passed during the AGM
2020-21	04.09.2021	8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana - 500073	10.30 A.M.	Appointment of Mrs. Likhitha Gaddipati as a whole time Director of the Company.
2019-20	07.09.2020	Flat No. 701, plot no. 8-3-940 and 8-3-940/A to E, Tirumala shah residency, Yellareddy Guda, Ameerpet, Hyderabad, Telangana- 500 073	02.00 P.M.	No Special Resolution was passed during the AGM

ii. Special resolutions passed in the previous three Annual General Meetings

- During the AGM held on September 04, 2021, passed a special resolution for Appointment of Mrs. Likhitha Gaddipati as a whole time Director of the Company.
- No special resolutions were passed during the AGM held on September 07, 2020, and September 26, 2022.

iii. Postal Ballot conducted during the year

Two Special Resolutions were passed on November 09, 2022, through postal ballot for Sub-division of Equity Shares of the Company and Alteration of Memorandum of Association of the Company.

M/s. VCAN & Associates, Practising Company Secretaries, were appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

iv. Procedure for Postal Ballot

The postal ballot is conducted in accordance with the provisions of Section 108 and 110 of the Companies Act, 2013, and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the "Act") read together with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("the Rules"), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Secretarial Standard-2 on General Meetings ("the SS-2"), read with General Circular Nos. 03/2022, 20/2021, 10/2021,

39/2020, 33/2020, 22/2020, 17/2020 and 14/2020, dated May 05, 2022, December 08, 2021, June 23, 2021, December 31, 2020, September 28, 2020, June 15, 2020, April 13, 2020, and April 08, 2020, respectively, and other relevant circulars issued by the Ministry of Corporate Affairs, Government of India ("MCA Circulars"), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In accordance with the aforementioned circulars, e-voting facility was provided to all the shareholders to cast their votes only through the remote e-voting process as per notice of postal ballot dated October 10, 2022, has proposed to pass Special Resolution **for Sub-division of Equity Shares of the Company and consequential alteration of the Memorandum of Association of the Company.**

Postal Ballot Notice is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depository Participants. A member whose e-mail address is not registered with the Company / Depository Participants, may please follow the process provided in the notes to the postal ballot hereto to receive this Notice and login ID and password for remote e-voting. The communication of the assent or dissent of the members would only take place through the e-voting system. Accordingly, the Company is pleased to provide remote e-voting facility to all its members to cast their votes electronically. Members are requested to follow the procedure and read the instructions as stated in the Notes of the Postal Ballot to cast their vote electronically not later than 05:00 P.M. (IST), Wednesday, November 09, 2022, i.e., the last day to cast vote electronically, to be eligible for being considered.

The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013. Shareholders holding equity shares as on the cut-off date may cast their votes through e-voting or through postal ballot during the voting period fixed for this purpose.

M/s. VCAN & Associates, Practising Company Secretaries, Hyderabad were appointed as Scrutinizer to scrutinize remote e-voting process in a fair and transparent manner for the above postal ballot. The Scrutiniser will submit his report to the Chairman, or any authorised person of the Company and the results of the Postal Ballot will be announced on or before November 11, 2022. The results are displayed on the website of the Company (www.likhitha.co.in), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents.

The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date of the voting period i.e., November 09, 2022.

9. Means of Communication

a. Quarterly Results

Quarterly, half-yearly and annual results are published in two Newspapers – English and Regional language.

Annual Reports with Audited Financial Statements are sent to shareholders through permitted mode.

b. Newspapers wherein results normally published

The results are normally published by the Company in the newspapers (Financial Express) in English version circulating in the whole of India and in regional newspaper (Nava Telangana) in the vernacular language in all editions.

c. Any website, where displayed

The results are also published on the Company's website: http://www.likhitha.co.in/financial_information.html.

d. Whether it also displays official news releases

The newsletters and press releases made from time to time, if any, are also displayed on the Company's website.

e. Presentations made to institutional investors or to analysts

The presentations made to institutional investors or to analysts are displayed in the Company's website at http://www.likhitha.co.in/stock_exchange.html.

10. General Shareholder Information

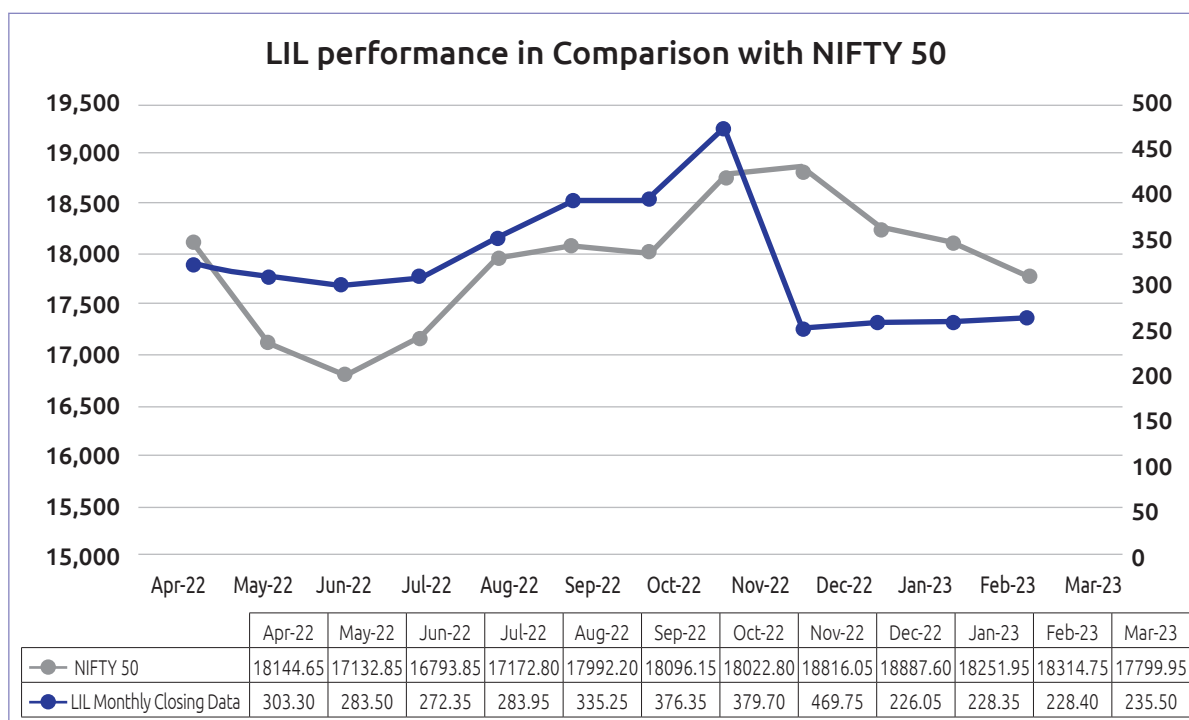
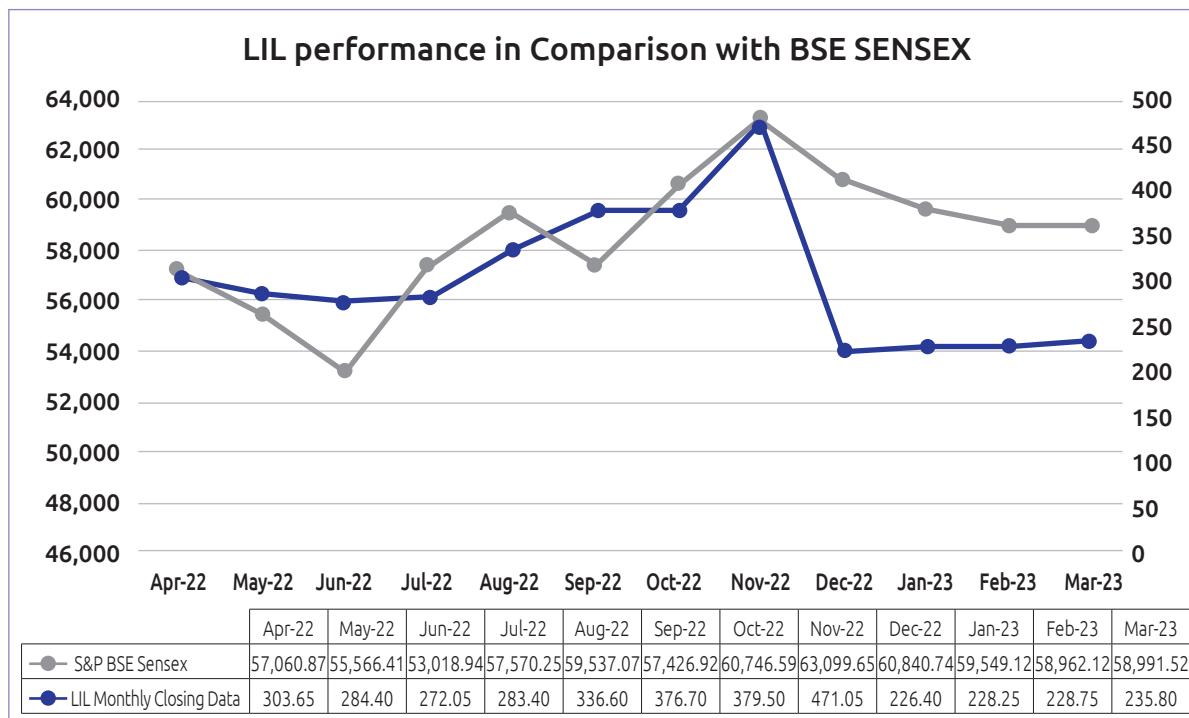
Annual General Meeting Date and Time	Date: Wednesday, September 27, 2023 Time: 12.00PM		
Venue	Through Video Conferencing and other Audio-visual means		
Period Date for exercising e-voting	From 24.09.2023, 09.00 A.M. to 26.09.2023, 05.00 P.M.		
Financial Year	April 01, 2022 - March 31, 2023		
Cut-off date for e-voting	September 20, 2023		
Book Closure	September 21, 2023 to September 27, 2023		
Dividend Payment Date	Within 30 days from the date of declaration		
Stock Exchange/s	National Stock Exchange of India Limited, "Exchange Plaza", 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai.		
Stock Code	Name of the Stock Exchange	Stock Code	Scrip Code
	BSE	543240	LIKHITHA
	NSE	NA	LIKHITHA
Listing fees to the stock exchange/s and Annual custodian fees to depositories for the year 2023-2024 have been paid.			

Market price data & Share performance of the Company

The monthly high, low, and trading volumes of the Company's equity shares during the financial year 2022-2023 at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are given below:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April 2022	352	292.35	92,041	343	290	7,13,296
May 2022	312	251.2	1,47,472	306.7	254.05	8,89,765
June 2022	294.55	236	83,049	294	236.55	7,85,568
July 2022	314.1	271.6	2,93,428	314	270.55	13,85,853
August 2022	339	265.6	2,13,230	339.95	265.55	26,32,942
September 2022	414	329.5	9,16,469	380	328.65	34,63,667
October 2022	395.35	353	6,34,618	396.9	354.1	19,30,411
November 2022	482	370.45	8,73,550	482	376.6	63,39,111
December 2022	496.15	198	14,68,952	496	198	1,35,74,966
January 2023	247.3	211.1	5,84,286	247.95	211.1	40,08,636
February 2023	268.5	216.1	7,26,236	268.85	215.7	60,41,121
March 2023	251.25	224.20	484,948	252	224.30	32,09,316

Share Performance of the Company in comparison with broad based indices- S&P BSE SENSEX & CNX NIFTY



In case the securities are suspended from trading, the directors' report shall explain the reason thereof:

During the reporting period there are no instances of suspension of trading in the shares of the Company.

Registrar to an issue and share transfer agents

Registrar and Transfer Agents (for shares held in both physical and demat mode)	Bigshare Services Private Limited, 306, Right Wing, 3rd Floor Amrutha Ville, Opp. Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad - 500082
Telephone Numbers	040-2337 4967 040-2337 0295
Contact person	R. Amarendranath
E mail ID	amarendranath.r@bigshareonline.com bsshyd@bigshareonline.com
Website	https://www.bigshareonline.com/

Share transfer system

Bigshare Services Private Limited, Hyderabad, is the Company's Registrar and Share Transfer Agent. Share transfers are registered and processed in the normal course within a period of less than 15 days from the date of receipt if the documents are in order in all respects, in line with Schedule VII to the Listing Regulations. Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days. The Registrar and Share Transfer Agent has been delegated the power of share transfer to expedite the transfer formalities, which is in line with Schedule VII and Regulation 40 of the SEBI (Listing Obligations and Disclosure Regulations) 2015.

The entire equity shares of the Company are held in Dematerialized form.

S. No.	Category	No of Shareholders	% to Total Shareholders	Share Amount	% to Equity
1	1-5000	33,568	96.3933	18954570	9.61
2	5001-10000	620	1.7804	4730500	2.40
3	10001-20000	329	0.9448	4840695	2.45
4	20001-30000	110	0.3159	2828175	1.43
5	30001-40000	60	0.1723	2063870	1.05
6	40001-50000	25	0.0718	1114235	0.56
7	50001-100000	56	0.1608	4233345	2.15
8	100001 and above	56	0.1608	158484610	80.35
Total		34,824*	100.00	19,72,50,000	100.00

Distribution of Shareholding as on March 31, 2023

*The total number of shareholders i.e., 34,824 includes those shareholders who hold two Demat Accounts with the same PAN. Therefore, the actual shareholders as on March 31, 2023, are 34,300.

Shareholding pattern as on March 31, 2023

Category	No of Shares Held	Percentage of Capital
Indian Promoters	2,76,25,000	70.03
Banks, Financial Institutions, and Mutual Funds	NIL	-
Foreign Portfolio Investors and Foreign Institutional Investors	95,911	0.24
Indian Public and HUF	1,07,84,029	27.31
Private Corporate Bodies / Body Corporate	5,12,436	1.29
NRI / OCBs / FCB and Foreign Nationals	3,52,780	0.89
Others	79,844	0.20
Total	3,94,50,000	100.00

Dematerialisation of shares and liquidity

Number of Shares	% of Total Shares	Number of Shareholders	% of Total Shareholders
3,94,50,000	100.00	34,300	100.00

The breakup of Shares in demat and physical form as on March 31, 2023, is as follows:

Particulars	No. of Shares of ₹ 5/- each	% of Shares
Demat Segment		
NSDL	2,58,32,896	65.48
CDSL	1,36,17,104	34.52
Sub-total	3,94,50,000	100.00
Physical Segment	NIL	-
Total	3,94,50,000	100.00

Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

No GDR / ADRs / warrants or any convertible instruments have been issued by the Company during the year under review or are outstanding as at the end of the financial year 2022-23.

Commodity Price Risk or Foreign Exchange Risk and Hedging activities:

The Company is not involved in any such activity.

Registered Office

The Registered Office of the Company is situated at 8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana - 500073. The Company doesn't have any other corporate offices.

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

The Company has not obtained any credit rating during the Financial Year 2022-23.

11. Other disclosures

A. Disclosures on Materially Significant Related Party Transactions that may have potential conflict with the interests of listed entity at large:

There are no related party transaction during the financial year under review except the one disclosed in the financial statements. The Company does not have any subsidiary or associate company or group company, therefore Related Party Disclosure as required under Schedule V of SEBI(LODR) Regulations is not applicable.

Policy for Related Party Transactions is hosted on the Company's website at http://likhitha.co.in/img/content/policies/Related_Party_Policy.pdf.

B. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

There was no instance of non-compliance pertaining to stock exchanges, statutory authority, or any other capital market regulator during the preceding three years except the following:

- As per regulation 44(3) the listed entity shall submit to the stock exchange, within two working days of the conclusion of its General Meeting, details regarding the voting results in the format specified by the Board. The Company has not submitted its postal ballot results

within 2 working days from the conclusion of the postal ballot. The Postal ballot was closed on Saturday, March 12, 2022, and the postal ballot report within 2 working days i.e., on or before March 15, 2022. The Stock exchanges levied a penalty of ₹11,800/- inclusive of GST from both the stock exchanges.

However, the Company has submitted the same on March 18, 2022 and also, paid the fine.

- BSE Limited issued a notice alleging that there was a delay in the submission of the Annual Report for the year 2021-22 by 1 (one) day and levied a penalty of ₹2,000/-. Upon submission of clarification, the said penalty was withdrawn.

C. Details of establishment of vigil mechanism / whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has formulated a Whistle Blower Policy and has also established a vigil mechanism for employees and directors to report genuine concerns and instances of fraud / illegal activities and no personnel had been denied access to the Audit Committee. The Policy is placed on the website of the Company under the web link: http://likhitha.co.in/img/content/policies/Whistle_Blower_Policy.pdf. As per the Policy and Internal Code of Conduct all personnel of the Company have been given access to the Chairman of Audit Committee.

D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements enumerated in the Listing Regulations and the Companies Act, 2013, read with the rules made thereunder and is also in compliance with non- mandatory requirements to a maximum extent.

E. Policy for determining “material” subsidiaries

The Company does not have any subsidiary. Therefore, the Company did not adopt any policy on “Material Subsidiary”.

F. Web link of the policy on dealing with Related Party Transactions.

The Board has formulated a policy on Related Party Transactions and has revised it from time to time in the light of amendments to the Listing Regulations and the same is available on the Company’s website under the web link: http://likhitha.co.in/img/content/policies/Related_Party_Policy.pdf.

G. Disclosure of Commodity Price Risks and Commodity Hedging Activities

The Company is not dealing in any commodities.

H. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A): Not applicable.

I. A certificate from Mr. Ajay Naga Chowdary Vemuri, Practicing Company Secretary, Hyderabad stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority, such disclosure has been enclosed separately to this Report.

J. Whether the Board had not accepted any recommendation of any Committee of the Board, which is mandatorily required, in the relevant financial year: No

K. Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part:

Particulars	₹ in Lakhs
Name of Auditor	M/s. NSVR & Associates LLP
Statutory Audit fee	6.00
Reimbursement of Expenses	Nil

M. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has constituted Internal Complaints Committee (ICC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The disclosure pertaining to the complaints are given hereunder:

No of complaints received during the year : Nil

No of complaints disposed off during the year : Nil

No of complaints pending as on end of financial year : Nil

N. Non-compliance of any requirement of Corporate Governance Report, with reasons thereof shall be disclosed: All the above requirements w.r.t. this Report have been complied with.

O. The extent to which the discretionary requirements as specified in the Part E of Schedule II have been adopted

Discretionary Requirements: The Company has adopted / complied with the discretionary requirements specified in Part E of Schedule II as detailed below.

i. The Board

The office of Mr. Sivasankara Parameswara Kurup Pillai, Non-Executive Chairman, is maintained at the expense of the Company and he is allowed to claim reimbursement of expenses incurred in performance of his duties, if any.

ii. Shareholders Rights

All quarterly / half yearly financial results are submitted to the stock exchanges and are simultaneously placed on the website of the Company at www.likhitha.co.in apart from being published in the newspapers.

iii. Modified opinion(s) in audit report

There are no modified opinions in the Audit Report for the financial year ended March 31, 2023.

iv. Reporting of Internal Auditor

The Internal Auditor of the Company reports directly to the Chairman of the Audit Committee, stating observations, if any.

P. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.

Regulation	Particulars of Regulations	Compliance Status (Yes / No / NA)
17	Board of Directors	Yes
17A	Maximum Number of Directorship	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholder Relationship Committee	Yes

Regulation	Particulars of Regulations	Compliance Status (Yes / No / NA)
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	NA
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

R. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management:

The Company has adopted a comprehensive code of conduct ("the Code") for Directors including Independent Directors and Senior Management Personnel as per Regulation 17(5) of SEBI(LODR) Regulations, 2015.

A copy of the Code of Conduct has been placed on the Company's website <http://www.likhitha.co.in/>. All the Board members and the senior management personnel have confirmed compliance with the Code.

Declaration on compliance with Code of Conduct is forming a part of Corporate Governance Report.

S. CEO and CFO Certification

Chief Executive Officer and Chief Financial Officer of the Company have provided a certificate in compliance with the Regulations 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is forming a part of Corporate Governance Report.

T. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report:

Compliance Certificate on the compliance of conditions of corporate governance pursuant to Para E of Schedule V to the SEBI (LODR) Regulations, 2015 from Mr. Ajay Naga Chowdary Vemuri, Practising Company Secretary, Hyderabad, is forming part of Corporate Governance Report.

U. Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account

Since no shares of the Company have been transferred to Demat Suspense Account / Unclaimed Suspense Account in accordance with Regulation 39 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 read with Schedule VI thereto, disclosures w.r. to the same are not applicable to the Company.

**On behalf of the Board of Directors
for Likhitha Infrastructure Limited**

Place : Hyderabad
Date : August 09, 2023

Sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

Sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGERIAL PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

I, Sudhanshu Shekhar, Chief Executive Officer, hereby declare that the Company has received declarations from all the Board Members and Senior Managerial Personnel affirming Compliance with the Code of Conduct for the Members of the Board and Senior Managerial Personnel for the year ended March 31, 2023.

Place : Hyderabad
Date : August 09, 2023

Sd/-
Sudhanshu Sekhar
Chief Executive Officer

CEO /CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 for the Financial Year ended March 31, 2023)

To
The Board of Directors
Likhitha Infrastructure Limited.

We, Sudhanshu Shekhar, Chief Executive Officer and Likhitha Gaddipati, Chief Financial Officer of Likhitha Infrastructure Limited, certify that:

1. We have reviewed financial statements and the cash flow statement for the financial year ended March 31, 2023, and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b) These statements together present a true and fair view of listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or in violation of listed entity's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee.
 - i. There have been no significant changes in the above-mentioned internal controls over financial reporting during the Financial Year 2022-23.
 - ii. There have been no significant changes in the accounting policies during the Financial Year 2022-23.
 - iii. We have not noticed any significant fraud particularly those involving the management or an employee having a significant role in the listed entity's internal control system over Financial Reporting.

Place : Hyderabad
Date : August 09, 2023

Sd/-
Sudhanshu Shekhar
Chief Executive Officer

Sd/-
Likhitha Gaddipati
Chief Financial Officer

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Likhitha Infrastructure Limited
8-3-323, 9th Floor, Vasavi's MPM Grand,
Yellareddy Guda, Ameerpet 'X' Roads,
Hyderabad, Telangana - 500 073.

We have examined the compliance of the conditions of Corporate Governance by Likhitha Infrastructure Limited (hereinafter referred to as "the Company") for the year ended March 31, 2023, as stipulated in Chapter IV of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, as adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated in the said listing regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for VCAN & Associates
Practicing Company Secretaries

Sd/-
Ajay Naga Chowdary Vemuri
M. No. F11106
CP No. 15460
UDIN: F011106E000774000
PR No. 1193/2021

Place : Hyderabad
Date : August 09, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI
(Listing Obligation and Disclosure Requirements) Regulations, 2015]

To

The Members

Likhitha Infrastructure Limited

8-3-323, 9th Floor, Vasavi's MPM Grand,
Ameerpet 'X' Roads, Yellareddy Guda,
Hyderabad, Telangana - 500 073.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Likhitha Infrastructure Limited** (CIN: L45200TG1998PLC029911) having its registered office at 8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' Roads, Yellareddy Guda, Hyderabad, Telangana - 500 073 (hereinafter referred to as 'the Company') produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of the Director	DIN	Date of Appointment in the Company
1	Mr. Srinivasa Rao Gaddipati	01710775	06.08.1998
2	Mrs. Sri Lakshmi Gaddipati	02250598	06.08.1998
3	Mrs. Likhitha Gaddipati	07341087	08.01.2018
4	Mr. Venkata Sesha Talpa Sai Munupalle	08388354	28.03.2019
5	Mr. Sivasankara Parameswara Kurup Pillai	08401552	28.03.2019
6	Mr. Venkatram Arigapudi	08939773	31.10.2020
7	Ms. Jayashree Voruganty	09137732	10.04.2021

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

for VCAN & Associates
Practicing Company Secretaries

Sd/-

Ajay Naga Chowdary Vemuri

M. No. F11106

CP No. 15460

UDIN: F011106E000774022

PR No. 1193/2021

Place : Hyderabad

Date : August 09, 2023

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To
The Members
LIKHITHA INFRASTRUCTURE LIMITED
8-3-323, 9th Floor, Vasavi's MPM Grand,
Ameerpet 'X' roads, Yellareddy Guda,
Hyderabad, Telangana - 500 073.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LIKHITHA INFRASTRUCTURE LIMITED (CIN: L45200TG1998PLC029911)** (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31 2023, except to the extent disclosed in this report, complied with the statutory provisions listed hereunder and also that the Company has proper Board- Processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31 2023, according to the provisions of:

- i. The Companies Act, 2013 (the Act) (to the extent applicable) and the Rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations");
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients; (**Not applicable to the Company during the audit period**)
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not applicable to the Company during the audit period**)
 - g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not applicable to the Company during the audit period**)

- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (**Not applicable to the Company during the audit period**) and,
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not applicable to the Company during the audit period**).
 - j. Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
- vi. Relying on the representations given by the Company and its officers with regard to other laws specifically applicable to the Company and its compliance, we opine that the Company has complied with the following laws:
- a. The Contract Labour (Regulation & Abolition) Act, 1970
- vii. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India;

We report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards, etc. mentioned above except as stated hereunder.

- a. It was observed that BSE Limited issued a notice alleging that there was a delay in the submission of the Annual Report for the year 2021-22 by 1 (one) day and levied a penalty of ₹ 2,000/-. Upon submission of clarification, the said penalty was withdrawn.

We further report that:

Except as disclosed above, the Board of Directors of the Company are duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

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

We further report that during the audit period no specific events/actions took place having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

For **VCAN & Associates**
Practicing Company Secretaries
Ajay Naga Chowdary Vemuri
Partner
M. No. F11106; C.P.No.15460
UDIN: F011106E000774011
PR No. 1193/2021

Place : Hyderabad
Date : August 09, 2023

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

To
The Members
LIKHITHA INFRASTRUCTURE LIMITED
8-3-323, 9th Floor, Vasavi's MPM Grand,
Ameerpet 'X' roads, Yellareddy Guda,
Hyderabad, Telangana- 500 073.

Our Report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a random test basis to ensure those correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied up on the information provided by the Management with respect to related party transactions for its compliance.

for **VCAN & Associates**
Practicing Company Secretaries
Ajay Naga Chowdary Vemuri
Partner
M. No. F11106; C.P.No.15460
UDIN: F011106E000774011
PR No. 1193/2021

Place : Hyderabad
Date : August 09, 2023

Standalone Financials



INDEPENDENT AUDITOR’S REPORT

To
The Members of,
LIKHITHA INFRASTRUCTURE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **LIKHITHA INFRASTRUCTURE LIMITED** (“The Company”), which comprises the balance sheet as at March 31, 2023, the statement of profit and loss (including Other Comprehensive Income), the cash flow Statement and the statement of changes in equity for the year ended and notes to the 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 (“The Act”) in the manner so required and give a true and fair view in conformity with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current financial year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined matters described below to be the key audit matters to be communicated in our report.

Revenue recognition – Accounting for Construction Contracts	
Key audit matter description	<ul style="list-style-type: none"> There are significant accounting judgements in estimating revenue to be recognized on contracts with customers, including estimation of costs to complete. The Company recognizes revenue on the basis of stage of completion in proportion of the contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract.
	<ul style="list-style-type: none"> Significant judgements are involved in determining the expected losses, when such losses become probable based on the expected total contract cost. Cost contingencies are included in these estimates to take into account specific risks of uncertainties or disputed claims against the Company, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the life of the contract and adjusted where appropriate.

	The revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognized when the recovery of such consideration is highly probable.
Audit Procedures	<p>Our audit procedures relates to the</p> <ol style="list-style-type: none"> 1. Identification of distinct performance obligations, 2. Evaluation of the process for estimation of costs to complete, 3. Evaluation of implications of change orders on costs estimates of costs to complete and revenue and 4. Evaluation of any variable consideration included the following, amongst others: <ul style="list-style-type: none"> • We tested the effectiveness of controls relating to the (a) evaluation of performance obligations and identification of those that are distinct; (b) estimation of costs to complete each of the performance obligations including the contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders; (c) the impact of change orders on the transaction price of the related contracts; and (d) evaluation of the impact of variable consideration on the transaction price. • We selected a sample of contracts with customers and performed the following procedures: <ol style="list-style-type: none"> a. Obtained and read contract documents for each selection, change orders, and other documents that were part of the agreement. b. Identified significant terms and deliverables in the contract to assess management's conclusions regarding the (i) identification of distinct performance obligations; (ii) changes to costs to complete as work progresses and as a consequence of change orders; (iii) the impact of change orders on the transaction price; and (iv) the evaluation of the adjustment to the transaction price on account of variable consideration. c. Compared costs incurred with Company's estimates of costs incurred to date to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract. d. Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligation.

Information other than the Standalone Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, for example, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this auditor's report.
- 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
- If based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the 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 these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is 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 these 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:

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

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the 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.

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 Companies Act, 2013, we give in the "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, The Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements.
 - ii. The Company does not have any derivatives contracts. Further there are no long term contracts for which provisions for any material foreseeable losses is required to be made.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The amount of dividend is in accordance with the section 123 of the Act.
 - (a) The final dividend paid by the company during the year in respect of previous year is in accordance with Section 123 of the Act, to the extent it applies to payment of dividend.
 - (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act, as applicable to the extent it applies to declaration of dividend.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1 April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For NSVR & ASSOCIATES LLP
Chartered Accountants,
Firm Reg No: 008801S/S200060

Suresh Gannamani

Partner

Membership No: 226870

UDIN: 23226870BGVRZY2041

Place : Hyderabad
Date : 18 May 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **LIKHITHA INFRASTRUCTURE LIMITED** of even date)

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

We have audited the internal financial controls over financial reporting of **LIKHITHA INFRASTRUCTURE LIMITED** ("the Company") as at March 31, 2023 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company are 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. 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of internal financial Controls over Financial reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purpose in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial Statements in accordance with generally accepted accounting principles, and that receipts and

expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For NSVR & ASSOCIATES LLP
Chartered Accountants,
Firm Reg No: 008801S/S200060

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZY2041

Place : Hyderabad
Date : 18 May 2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of LIKHITHA INFRASTRUCTURE LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, plant and equipment and intangible assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment and investment properties.
 - (B) The company has maintained proper records of intangible assets showing full particulars if intangible assets.
 - (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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant, and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the company as at the balance sheet date.
 - (d) 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 revalued its property, plant and equipment and intangible assets during the year.
 - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on such physical verification. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year-end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with books of account.
- (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 or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial statements are in agreement with the audited books of account of the Company of the respective quarters (quarter ended 30 June, 2022, 30 September 2022, 31 December 2022 and March 31, 2023) and no material discrepancies have been observed.

iii. The Company has made investments in and granted loans, unsecured, to companies or any other parties during the year, in respect of which:

(a) The Company has provided loans during the year and details of which are given below:

(all amounts in Indian Rupees in lakhs)

Particulars	Loans	Guarantees	Security
Aggregate Amount granted / provided during the year:			
Subsidiaries	579.61	-	-
Joint Venture	-	-	-
Associates	-	-	-
Others	-	-	-
Balance Outstanding as at Balance Sheet date in respect of above cases			
Subsidiaries	764.42	-	-
Joint Venture	-	-	-
Associates	-	-	-
Others	-	-	-

(b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans and guarantees provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) The loans granted by the company are repayable on demand and does not contain any schedule of repayment and payment of interest.

(d) The company has not granted any loans other than mentioned above. Hence, reporting under the clause (iii)(d) is not applicable.

(e) During the year, no loans were renewed. Hence, reporting under the clause (iii)(e) is not applicable.

(f) The company has granted advances to its subsidiary which are repayable on demand and the details of which are given below:

(₹ in lakhs)

Particulars	Promoters	Related Parties
Aggregate Amount of Loans/Advances - Repayable on Demand	-	579.61
Total	-	579.61

iv. The company has not advanced any loans, guarantees to directors of the company. Hence, reporting under clause (iv) of the order is not applicable.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits the public and hence reporting under clause (v) of the order is not applicable.

- vi. As per information & explanation given by the management, the Central Government of India has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Hence reporting under clause (vi) of the order is not applicable.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable to the appropriate authorities have generally been regularly deposited during the year by the Company with the appropriate authorities.
- (b) According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or Goods and Services Tax or duty of customs or duty of excise or value added tax which have not been deposited by the company on account of dispute.

The particulars of dues of income tax, sales tax, service tax and entry tax as at March 31, 2023 which have not been deposited on account of a dispute are as follows: **(All amounts are in Indian Rupees Lakhs)**

Particulars	As at	As at	Forum Where Dispute is Pending
	31 March 2023	31 March 2022	
Income tax Act, 1961			
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2017-18 [₹ 45.00 Lakhs was paid under protest]	221.02	221.02	Commissioner of Income Tax (Appeals)
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2018-19	306.52	306.52	Commissioner of Income Tax (Appeals)
Goods and Service Tax Act 2017 Order u/s 73 of the BGST Act 2017 for Financial Year 2019-20	27.54	27.54	Goods and service tax appellate authority Bihar

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence reporting under clause (viii) of the order is not applicable.
- ix. According to the information and explanations given to us and on the basis of our examination of the records of the Company
- a. The Company has not defaulted in repayment of Loans or borrowings from any lender. Hence reporting under clause (ix) (a) of the Order is not applicable.
- b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority. Hence reporting under clause (ix) (b) of the Order is not applicable.
- c. The company has not obtained any term loans during the year. Hence reporting under clause (ix) (c) of the Order is not applicable.
- d. On an overall examination of the Standalone Financial Statements, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e. On an overall examination of the financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures (as defined under the Act) during the year ended March 31, 2023.

- f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act) during the year ended March 31, 2023.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.
- b) The Company has not made any preferential allotment of equity shares to its existing shareholders. Hence compliance with provision of section 62(1)(c) of Companies Act 2013 is not applicable and hence reporting under clause (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 Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As per representation to us by the management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable Indian accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 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 with 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. Hence, reporting under clause (xvi) (a),(b) and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other

information accompanying the financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Hence reporting under clause (xx) of the Order is not applicable for the year.

For NSVR & ASSOCIATES LLP
Chartered Accountants,
Firm Reg No: 008801S/S200060

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZY2041

Place : Hyderabad
Date : 18 May 2023

Standalone Balance Sheet as at 31 March 2023

(Amount in Indian rupees lakhs, except share data and where otherwise stated)

Particulars	Note No	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
(a) Property, plant and equipment	3	1,986.00	1,598.22
(b) Investment property	3(i)	216.56	222.42
(c) Intangible assets	3(ii)	1.57	2.11
(d) Financial assets			
(i) Investments	4(i)	1,752.87	19.46
(ii) Loans	5	336.32	272.51
(iii) Other financial assets	6	558.40	783.29
(e) Deferred tax assets (net)	13	72.68	44.90
Total non-current assets (A)		4,924.40	2,942.92
Current assets			
(a) Inventories	7	6,829.81	4,396.37
(b) Financial assets			
(i) Investments	4(ii)	3,903.07	3,922.65
(ii) Trade receivables	8	7,088.98	6,777.70
(iii) Cash and cash equivalent	9	3,047.17	724.43
(iv) Other bank balances	10	970.88	1,527.42
(v) Loans	11	764.42	184.81
(vi) Other financial assets	12	1,304.70	747.02
(c) Current tax assets (net)	14	11.27	-
(d) Other current assets	15	592.69	304.33
Total current assets (B)		24,512.98	18,584.73
Total assets (A+B)		29,437.38	21,527.65
Equity and liabilities			
Equity			
(a) Equity share capital	16	1,972.50	1,972.50
(b) Other equity	17	23,035.19	17,236.42
Total equity (A)		25,007.69	19,208.92
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(b) Non-current provisions	18	45.36	21.72
Total non-current liabilities (B)		45.36	21.72
Current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Trade payables:			
(a) Total outstanding dues of micro enterprises and small enterprises		-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	19	2,786.56	892.58
(iii) Other financial liabilities	20	724.70	111.90
(b) Other current liabilities	21	868.71	1,188.19
(c) Current provisions	22	4.35	3.92
(d) Current tax liability (net)	23	-	100.42
Total current liabilities (C)		4,384.33	2,297.01
Total equity and liabilities (A+B+C)		29,437.38	21,527.65

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date
For **NSVR & ASSOCIATES LLP**
Chartered Accountants
FRN: 008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZY2041

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Place: Hyderabad
Date: 18 May 2023

Likhitha Gaddipati
Chief Financial Officer

Yerragonda Pallavi
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

Standalone Statement of Profit and loss for the Period Ended 31 March 2023

(Amount in Indian rupees lakhs, except share data and where otherwise stated)

Particulars	Note No	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Income			
Revenue from contract with customers	24	35,076.61	25,713.67
Other income	25	784.91	354.90
Total income (A)		35,861.52	26,068.57
Expenses			
Cost of materials consumed	26	5,844.26	5,139.65
Construction expenses	27	19,628.91	12,578.93
Changes in inventories of work-in-progress	28	(2,326.89)	(2,082.10)
Employee benefit expenses	29	3,153.54	3,117.27
Finance costs	30	77.66	53.32
Depreciation and amortization expense	31	507.21	368.65
Other expenses	32	1,060.22	845.45
Total expenses(B)		27,944.90	20,021.18
Profit before tax (A-B)		7,916.61	6,047.40
Tax expense			
(1) Current tax		1,937.20	1,514.55
(2) Deferred tax		(24.96)	(13.73)
Profit for the year after tax		6,004.38	4,546.57
Other comprehensive income (OCI)			
(i) Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plans		(11.17)	0.60
Tax impact on above items		2.81	(0.15)
(ii) Items that will be reclassified to profit or loss		-	-
Other comprehensive income/(loss) for the year, net of tax		(8.36)	0.45
Total comprehensive income for the year, net of tax		5,996.03	4,547.02
Earnings per share			
Basic earnings per share of ₹5/-each		15.22	11.52
Diluted earnings per share of ₹5/- each		15.22	11.52

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date
For **NSVR & ASSOCIATES LLP**
Chartered Accountants
FRN: 008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
Partner
Membership No: 226870
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G Srinivasa Rao
Managing Director
DIN: 01710775

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DIN: 02250598

Place: Hyderabad
Date: 18 May 2023

Likhitha Gaddipati
Chief Financial Officer

Yerragonda Pallavi
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

Standalone Statement of Changes In Equity for the Year Ended 31 March 2023

(Amount in Indian rupees lakhs, except share data and where otherwise stated)

Equity share capital	Opening balance as at 1 April 2022	Changes in equity share capital during the year	Closing balance as at 31 March 2023
3,94,50,000 Equity Shares of ₹5 each, fully paid up	1,972.50	-	1,972.50
	1,972.50	-	1,972.50

Equity share capital	Opening balance as at 1 April 2021	Changes in equity share capital during the year	Closing balance as at 31 March 2022
1,97,25,000 Equity Shares of ₹10 each, fully paid up	1,972.50	-	1,972.50
	1,972.50	-	1,972.50

Particulars	Reserves and surplus			Items of ther comprehensive income	Total Other Equity
	Retained Earnings	General Reserves	Securities Premium	Re-measurement gains/ (losses) on defined benefit plans net of tax	
Balance as at 1 April 2022	12,376.39	17.56	4,802.04	40.43	17,236.42
Profit for the year	6,004.38	-	-	-	6,004.38
Dividend Paid	(197.25)	-	-	-	(197.25)
Re-measurement gains/ (losses) on defined benefit plans net of tax	-	-	-	(8.36)	(8.36)
Balance as at 31 March 2023	18,183.52	17.56	4,802.04	32.07	23,035.19

Particulars	Reserves and surplus			Items of Other comprehensive income	Total Other Equity
	Retained Earnings	General Reserves	Securities Premium	Re-measurement gains/ (losses) on defined benefit plans net of tax	
Balance as at 1 April 2021	8,421.57	17.56	4,888.76	39.98	13,367.86
Profit for the year	4,546.57	-	-	-	4,546.57
Initial public offer expenses	-	-	(86.72)	-	(86.72)
Dividend Paid	(591.75)	-	-	-	(591.75)
Re-measurement gains/ (losses) on defined benefit plans net of tax	-	-	-	0.45	0.45
Balance as at 31 March 2022	12,376.39	17.56	4,802.04	40.43	17,236.42

Nature and purpose of reserves

Retained earnings

The balance in the retained earnings primarily represents the surplus after payment of dividend and transfer to reserves.

General reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of companies act, 2013. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Re-measurement gains / (losses) on defined benefit plans

Remeasurements of the net defined benefits plan reserve comprises the cumulative net gains/ (losses) on actuarial valuation of post-employment obligations.

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date
For **NSVR & ASSOCIATES LLP**
Chartered Accountants
FRN: 008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZY2041

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Place : Hyderabad
Date : 18 May 2023

Likhitha Gaddipati
Chief Financial Officer

Yerragonda Pallavi
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

Standalone Cash Flow Statement for the Year Ended 31 March 2023

(Amount in Indian rupees lakhs, except share data and where otherwise stated)

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
A. Cash flow from operating activities		
Net profit before tax	7,916.61	6,047.40
Adjustments for:		
Depreciation and amortisation expenses	507.21	368.65
Finance costs	77.66	53.32
Share of profit from partnership firm, net of tax	(361.42)	-
(Profit) / loss on sale of property, plant and equipment	(5.05)	-
Interest income	(379.71)	(327.45)
Operating profit before working capital changes	7,755.29	6,141.92
Changes in operating assets and liabilities:		
Inventory	(2,433.45)	(2,145.84)
Trade receivables	(311.28)	(2,893.96)
Loans	(63.81)	11.39
Other financial assets	(332.79)	139.30
Other current assets	(288.36)	(164.59)
Trade payables	1,893.98	712.67
Provisions	12.91	6.83
Current financial liabilities	612.80	67.14
Other current liabilities	(319.48)	(103.03)
Changes in working capital	(1,229.48)	(4,370.09)
Cash generated from operating activities before tax	6,525.82	1,771.83
Income tax paid	(2,048.88)	(1,296.45)
Net cash from / (used in) operating activities	4,476.93	475.38
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(918.14)	(1,023.01)
Proceeds from sale of property, plant and equipment	34.61	-
Share of profit from partnership firm, net of tax	361.42	-
Loans given	(579.61)	(184.81)
Investments in bank deposits (having original maturity of more than 3 months)	(1,713.83)	-
Redemption/maturity of bank deposits (having original maturity of more than 3 months)	-	1,634.65
Interest income	379.71	327.45
Net cash from / (used in) investing activities	(2,435.83)	754.28
C. Cash flows from financing activities		
Finance costs	(77.66)	(53.32)
Dividend paid	(197.25)	(591.75)
Initial public offer expenses (issue of shares)	-	(86.72)
Net cash from / (used in) financing activities	(274.91)	(731.79)
Net increase / (decrease) in cash and cash equivalents	1,766.20	497.88
Cash and cash equivalents at beginning of the year	2,251.85	1,753.97
Cash and cash equivalents at end of the year	4,018.05	2,251.85

Cash and cash equivalents include the following for cash flow purpose

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Cash on hand	63.43	5.30
Cash equivalents		
Current accounts (Including the debit balance of cash credit account)	2,788.11	716.45
Other restricted bank balances	1,163.09	1,527.42
Less: dividend amount in banks	3.42	2.67
Cash and cash equivalents	4,018.05	2,251.85

The accompanying notes form an integral part of the Standalone Financial Statements

As per our report of even date
For **NSVR & ASSOCIATES LLP**
Chartered Accountants
FRN: 008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZY2041

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Place : Hyderabad
Date : 18 May 2023

Likhitha Gaddipati
Chief Financial Officer

Yerragonda Pallavi
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

1. NOTES TO STANDALONE FINANCIAL STATEMENTS

Description of the Company and Significant Accounting Policies

1.1 Corporate Information

Likhitha Infrastructure Limited (the Company) is a limited Company bearing **CIN: L45200TG1998PLC029911** incorporated in India on 6 August 1998, India in accordance with the provisions of the Companies Act, 1956. The registered office of the company is situated at 8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad Telangana 500073-India. The Company is engaged in the business of laying gas supply pipe lines and irrigation canals, building bridges over the canals and related maintenance works.

The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange.

1.2 Basis of Preparation of financial Statements

a) Statement of Compliance

These Standalone financial statements of Likhitha Infrastructure Limited have been prepared and presented in accordance with and in compliance in all material aspects, with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 (the "Act") read along with the Companies (Indian Accounting Standards) Rules 2015, and presentation requirements of Division II of Schedule III to the Companies Act, 2013, and as amended from time to time together with the comparative period data as at and for the year ended March 31, 2022.

These Standalone financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, March 31, 2023. These financial statements for the year ended March 31, 2023 were approved by the Company's Board of Directors on 18 May 2023.

b) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- a) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- b) Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation, and

2. Summary of Significant Accounting Policies

2.1 Current and noncurrent classification

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

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of financial statements.

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realized within twelve months after the reporting date; or

- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the Company's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within twelve months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

The Company classifies all other liabilities as noncurrent.

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. Deferred tax assets and liabilities are always disclosed as non-current.

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

2.2 Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is also the functional currency of the Company. All the financial information presented in Indian rupees has been rounded to the nearest lakhs.

2.3 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

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

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

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date, the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income ("OCI") or profit or loss are also recognised in OCI or profit or loss, respectively).

2.5 Property plant and equipment

The cost of an item of property, plant and equipment are recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold land is carried at historical cost less any accumulated impairment losses.

Items of property, plant and equipment (including capital-work-in progress) are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, non-refundable duties and taxes applicable, and other expenses related to acquisition and installation.

The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Depreciation

Depreciation on items of PPE is provided on Written down value basis, computed on the basis of useful lives as mentioned in Schedule II to the Companies Act, 2013. Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use / disposed-off.

Type of Asset	Estimated Useful Life in Years
Plant & Machinery	25
Electrical Installations	25
Furniture & Fixtures	10
Office Equipment	5
Computers	6
Vehicles	8

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress.

Investment Property

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Company, are classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Investment properties are depreciated using the written down value basis method over the useful lives.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Land	Non depreciable asset
Buildings	30

2.6 Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortisation

Amortisation is recognized in the statement of profit and loss on a written down value basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefit are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Computer Software	3

The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date.

2.7 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both of the following conditions are met: (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met: (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and (ii) The asset's contractual cash flows represent **SPPI**.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

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

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

b. Financial liabilities***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to the statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

Loans and borrowings

Borrowings is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition

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

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance

sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.8 Investment in Subsidiaries

The company has accounted for its investments in equity shares of Subsidiaries, associates and joint venture at cost less impairment loss (if any).

2.9 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, and other short-term deposits. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment, and which are subject to an insignificant risk of change in value. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

2.10 Inventory

Inventories are valued at the lower of cost and net realizable value.

Inventories consisting of materials, stores and spares and loose tools are valued at cost or net realizable value by using weighted average method.

Project and construction related work in progress is valued at cost.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

2.11 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment.

If any such indication exists, then the asset's recoverable amount is estimated.

For goodwill and intangible assets that have lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the "cash-generating unit").

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does

not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

Reversal of Impairment of Assets

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.12 Employee benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market interest rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the statement of profit and loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for defined benefit obligation and plan assets are recognized in OCI in the period in which they arise. When the benefits under a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Company recognizes gains or losses on the settlement of a defined benefit plan obligation when the settlement occurs.

Termination benefits

Termination benefits are recognized as an expense in the statement of profit and loss when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination

benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense in the statement of profit and loss if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognised in the statement of profit and loss in the period in which they arise.

Compensated absences

The Company's current policies permit certain categories of its employees to accumulate and carry forward a portion of their unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof in accordance with the terms of such policies. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company incurs as a result of the unused entitlement that has accumulated at the reporting date. Such measurement is based on actuarial valuation as at the reporting date carried out by a qualified actuary.

2.13 Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognized in the statement of profit and loss if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities and contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

Onerous contracts

A provision for onerous contracts is recognised in the statement of profit and loss when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Reimbursement rights

Expected reimbursements for expenditures required to settle a provision are recognised in the statement of profit and loss only when receipt of such reimbursements is virtually certain. Such reimbursements are recognised as a separate asset in the balance sheet, with a corresponding credit to the specific expense for which the provision has been made.

2.14 Revenue recognition

Revenue from contracts with customers is recognised when a performance obligation is satisfied by transfer of promised goods or services to a customer.

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

- a) the customer simultaneously consumes the benefit of the Company's performance or
- b) the customer controls the asset as it is being created/enhanced by the Company's performance or
- c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents,

In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Revenue from construction/project related activity is recognised as follows:

Fixed price contracts: Contract revenue is recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognised in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfil such remaining performance obligations). The Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

2.15 Interest Income

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee and term deposits.

Interest income or expense is recognised using the effective interest method (EIR).

Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

1.16 Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.17 Tax Expenses

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside the statement of profit and loss is recognised outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

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

Goods and Service Tax (GST) paid on acquisition of assets or on incurring expenses

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognized net of the amount of taxes paid. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.18 Earnings Per Share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

2.19 Segment reporting

The Company is engaged in the “laying of gas pipe lines and development of allied infrastructure” and the same constitutes a single reportable business segment as per Ind AS 108. Accordingly, disclosure of segment information as prescribed in the Indian accounting standard 108 “Operating segments” is not applicable.

2.20 Share capital

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

2.21 Significant accounting judgements, estimates, and assumption

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives

and residual values of Company's assets are determined by management at the time of acquisition of asset and is reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Impairment of financial and non-financial assets

Significant management judgement is required to determine the amounts of impairment loss on the financial and nonfinancial assets. The calculations of impairment loss are sensitive to underlying assumptions.

Tax provisions and contingencies

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

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using internal valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.22 New standards adopted by the company

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

This amendment is essentially clarification and had there is no significant impact on the standalone financial statements.

Amendments to Ind AS 16- Property, Plant and Equipment: Proceeds before Intended Use

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no impact on the standalone financial statements.

Amendments to Ind AS 103, Business Combinations: Reference to the Conceptual Framework

This amendment added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

In accordance with the transitional provisions, the company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the standalone financial statements of the company as there were no transactions within the scope of these amendments that arose during the period.

2.23 New Accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 01, 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its standalone financial statements.

Note No.3: Property, plant and equipment

(Amount in Indian rupees lakhs, except share data and where otherwise stated)

Particulars	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying value						
Balance as at 1 April 2021	1,453.99	41.93	198.35	23.33	39.70	1,757.30
Additions during the Year	974.83	2.24	25.33	2.90	17.70	1,023.01
Disposals for the year	-	-	-	-	-	-
Balance as at 31 March 2022	2,428.82	44.17	223.68	26.23	57.41	2,780.31
Additions during the Year	802.05	1.22	100.86	1.59	12.42	918.14
Disposals for the year	116.07	6.41	39.15	19.45	15.44	196.51
Balance as at 31 March 2023	3,114.81	38.99	285.39	8.38	54.39	3,501.95
Accumulated depreciation						
Balance as at 1 April 2021	650.09	11.46	117.81	19.78	21.48	820.63
Depreciation charge for the year	291.55	12.74	34.55	4.12	18.50	361.46
On disposals	-	-	-	-	-	-
Balance as at 31 March 2022	941.65	24.20	152.36	23.91	39.98	1,182.09
Depreciation charge for the year	432.47	6.82	48.60	1.62	11.29	500.80
On disposals	99.09	6.18	33.88	18.45	9.35	166.95
Balance as at 31 March 2023	1,275.02	24.84	167.08	7.08	41.93	1,515.95
Net carrying value						
As at 31 March 2021	803.90	30.47	80.54	3.55	18.22	936.67
As at 31 March 2022	1,487.18	19.97	71.32	2.33	17.43	1,598.22
As at 31 March 2023	1,839.78	14.15	118.31	1.29	12.46	1,986.00

Note No.3(i): Investment property

Particulars	Land	Buildings
Balance as at 1 April 2021	180.19	64.95
Additions during the Year	-	-
Disposals for the year	-	-
Balance as at 31 March 2022	180.19	64.95
Additions during the Year	-	-
Disposals for the year	-	-
Balance as at 31 March 2023	180.19	64.95
Accumulated depreciation		
Balance as at 1 April 2021	-	16.26
Depreciation charge for the year	-	6.46
On disposals	-	-
Balance as at 31 March 2022	-	22.72
Depreciation charge for the year	-	5.86
On disposals	-	-
Balance as at 31 March 2023	-	28.58
Net carrying value		
As at 31 March 2021	180.19	48.69
As at 31 March 2022	180.19	42.23
As at 31 March 2023	180.19	36.37

Note No.3(ii): Intangible Assets

Particulars	Amount
Gross carrying value	
Balance as at 1 April 2021	3.00
Additions for the year	-
Disposals for the year	-
Balance as at 31 March 2022	3.00
Additions during the Year	-
Disposals for the year	-
Balance as at 31 March 2023	3.00
Accumulated depreciation	
Balance as at 1 April 2021	0.15
Amortisation charge for the year	0.73
On Disposals	-
Balance as at 31 March 2022	0.89
Amortisation charge for the year	0.55
On disposals	-
Balance as at 31 March 2023	1.43
Net carrying value	
As at 31 March 2021	2.85
As at 31 March 2022	2.11
As at 31 March 2023	1.57

Note No.4(i): Non current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in subsidiary (80% capital amount in CPM-Likhitha consortium)	379.14	17.71
Fixed deposits with bank having maturity more than 12 months	1,373.74	1.75
Total	1,752.87	19.46

Note No.4(ii): Current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed deposits with banks having maturity more than 3 months but less than 12 months	3,903.07	3,922.65
Total	3,903.07	3,922.65

Note No.5: Loans

Particulars	As at 31 March 2023	As at 31 March 2022
Loans to others	336.32	272.51
Total	336.32	272.51

Note No.6: Other non-current financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Retention money receivable	558.40	783.29
Total	558.40	783.29

Note No.7: Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Work-in-progress	6,620.88	4,293.99
Materials at site	208.94	102.38
Total	6,829.81	4,396.37

Note No.8: Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good	7,088.98	6,777.70
Total	7,088.98	6,777.70

Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
Undisputed trade receivables - considered good	-	6,890.51	35.47	162.99	-	-	7,088.98
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowances for credit losses	-	-	-	-	-	-	-
Balance as at 31 March 2023	-	6,890.51	35.47	162.99	-	-	7,088.98
Undisputed trade receivables - considered good	-	6,630.73	146.97	-	-	-	6,777.70
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowances for credit losses	-	-	-	-	-	-	-
Balance as at 31 March 2022	-	6,630.73	146.97	-	-	-	6,777.70

Note No.9: Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	63.43	5.30
Balances with banks in		
Current accounts (Including the debit balance of cash credit account)	2,788.11	716.45
- Dividend accounts	3.42	2.67
Bank deposits with maturity less than 3 months (other restricted bank balances)	192.21	-
Total	3,047.17	724.43

Note No.10: Other Bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
Bank deposits with maturity more than 3 months but less 12 months (other restricted bank balances)	970.88	1,527.42
Total	970.88	1,527.42

Note No.11: Loans

Particulars	As at 31 March 2023	As at 31 March 2022
To related parties (Loans repayable on demand)	764.42	184.81
Total	764.42	184.81

Note No.12: Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Retention money receivable	1,304.44	746.88
Other receivables	0.26	0.14
Total	1,304.70	747.02

Note No.13: Deferred tax asset (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax asset (Net)	72.68	44.90
Total	72.68	44.90

Note No.14: Current tax asset (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax asset (Net)	11.27	-
Total	11.27	-

Note No.15: Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Advance to vendors	475.66	193.48
Prepaid expenses	53.38	43.63
Deposits paid under protest	58.39	64.32
Advance to employees	5.26	2.90
Total	592.69	304.33

Note No.16: Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorized share capital		
4,00,00,000 equity shares of ₹5 each (Previous year :2,00,00,000 equity shares of ₹10 each)	2,000.00	2,000.00
Issued subscribed and paid up share capital		
3,94,50,000 Equity shares of ₹5 each, fully paid up (Previous year : 1,97,25,000 equity shares of ₹10 each, fully paid up)	1,972.50	1,972.50
Total	1,972.50	1,972.50

Reconciliation of equity shares outstanding is set out below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Opening number of equity shares/share capital	1,97,25,000	1,972.50	1,97,25,000	1,972.50
Add: equity shares due to share split during the year	1,97,25,000	-	-	-
less: shares buy backed during the year	-	-	-	-
Closing number of equity shares/share capital	3,94,50,000	1,972.50	1,97,25,000	1,972.50

During the year, the company has made the stock split as on 2 December 2022 from the face value of the ₹10 per share to ₹ 5 per Share and consequently the number of shares becomes to 3,94,50,000 from 1,97,25,000.

Details of shareholders holding more than 5% shares

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% of holding	No. of Shares	% of holding
1. Sri G.S. Rao	2,68,90,500	68.16%	1,42,51,250	74.11%

Details of shares held by promoters

Particulars	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number of Shares	% of holding	Number of Shares	% of holding	
1. Sri G.S. Rao	2,68,90,500	68.16%	1,42,51,250	74.11%	(5.95%)
2. Likhitha Gaddipati	3,250	0.01%	1,625.00	0.01%	0.00%

Rights attached to equity shares

The Company has only one class of equity shares having a face value of ₹5 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in indian rupees. Payment of dividend is also made in foreign currency to shareholders outside india. The final dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, all preferential amounts, if any, shall be discharged by the company. The remaining assets of the company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

Final dividends on equity shares are recorded as a liability on the date of their approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's board of directors. The details of dividends paid by the company are as follows:

Dividend Paid

Particulars	As at 31 March 2023	As at 31 March 2022
Dividend paid during the year	197.25	591.75
Dividend per share (Rs)	0.50	3.00

Note No.17: Other Equity

Particulars	As at 31 March 2023	As at 31 March 2022
Retained earnings		
Opening balance	17,178.44	13,310.34
Add: Current year transfer	6,004.38	4,546.57
Initial public offer expenses	-	(86.72)
Dividend paid	(197.25)	(591.75)
Total	22,985.57	17,178.44
General reserve		
Opening balance	17.56	17.56
Add: Current year transfer	-	-
Total	17.56	17.56
Items of Other comprehensive income		
Opening balance	40.43	39.98
Add: For the year	(8.36)	0.45
Total	32.07	40.43
Total other equity	23,035.19	17,236.42

Note No.18: Non-current provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for gratuity	45.36	21.72
Total	45.36	21.72

Note No.19: Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Total outstanding dues of micro enterprises and small enterprises (MSME)		
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (others)	2,786.56	892.58
Total	2,786.56	892.58

Trade payable ageing schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed:					
(a) Total outstanding dues of micro enterprises and small enterprises (MSME)	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (others)	2,786.56	-	-	-	2,786.56
Balance as at 31 March 2023	2,786.56	-	-	-	2,786.56
Undisputed:					
(a) Total outstanding dues of micro enterprises and small enterprises (MSME)	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (others)	892.58	-	-	-	892.58
Balance as at 31 March 2022	892.58	-	-	-	892.58

Note No.20: Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Liabilities for expenses	11.25	39.98
Deposits payable	675.49	0.82
Mobilisation advance payable	35.05	68.43
Dividend payable	2.91	2.67
Total	724.70	111.90

Note No.21: Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	246.49	497.84
Employee benefits payable	228.69	249.76
Remuneration payable	393.53	440.59
Total	868.71	1,188.19

Note No.22: Current provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for gratuity	4.35	3.92
Total	4.35	3.92

Note No.23: Current tax liability (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax liability (Net)	-	100.42
Total	-	100.42

Note No.24: Revenue from contract with customers

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Revenue from contract with customers	35,076.61	25,713.67
Total	35,076.61	25,713.67

Note No.25: Other income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Recurring other income		
Not related to business activity		
Interest Income on bank deposits	379.71	327.45
Rental income	5.02	4.43
Share of profit from partnership firm	361.42	-
Profit on sale of property, plant and equipment	5.05	-
Net gain/(loss) on foreign exchange differences	-	7.29
Sales tax refund	23.85	15.73
Balances written back	9.85	-
Total	784.91	354.90

Note No.26: Cost of Materials Consumed

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Opening stock of material	102.38	38.64
Add: Purchases during the year	5,950.82	5,204.50
Less: Closing stock of material	208.94	102.38
Total	5,844.26	5,139.65

Note No.27: Construction expenses

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Sub contract expenses	15,744.51	9,385.50
Hire charges	1,586.70	1,451.62
Power and fuel	1,840.34	1,432.86
Rates and taxes	323.48	217.07

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Repairs to: Plant and machinery	47.93	49.76
Repairs to: Other assets	13.96	13.82
Other construction expenses	71.98	28.31
Total	19,628.91	12,578.93

Note No.28: Changes in inventories of work-in-progress

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Opening work-in-progress	4,293.99	2,211.89
Closing work-in-progress	6,620.88	4,293.99
Total	(2,326.89)	(2,082.10)

Note No.29: Employee Benefit Expenses

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Salaries and wages	2,783.20	2,666.86
Contribution to provident fund and other funds	255.51	246.47
Staff welfare expenses	114.83	203.93
Total	3,153.54	3,117.27

Note No.30: Finance Costs

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Interest on term loans	-	0.33
Interest on cash credit	0.21	0.70
Other borrowing cost	77.44	52.29
Total	77.66	53.32

Note No.31: Depreciation & Amortization Expenses

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Depreciation on property plant and equipment	500.80	361.46
Depreciation on investment property	5.86	6.46
Amortization of intangible assets	0.55	0.73
Total	507.21	368.65

Note No.32: Other expenses

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Rent	443.08	390.42
Insurance	101.09	79.25
Rates and taxes excluding taxes on income	30.09	4.00
Advertisement and business promotion expenses	56.63	1.57
Legal and professional charges	55.65	39.27
Auditors remuneration	9.00	9.00

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Donations	2.35	-
Corporate social responsibility expenses	83.75	61.01
Communication expenses	4.38	3.04
Travelling and conveyance expenses	50.83	31.11
Bank charges	2.39	1.83
Directors sitting fees	4.10	6.00
General expenses	216.87	218.96
Total	1,060.22	845.45

Note No. 33: Revenue from contract with customers Disaggregated revenue information

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Revenue from contracts with customers		
Sale of services	35,076.61	25,713.67
Total	35,076.61	25,713.67
(a) Disaggregated revenue information		
Construction		
India	35,076.61	25,713.67
Outside India		
	35,076.61	25,713.67
Traded		
India	-	-
Outside India	-	-
	-	-
(b) Timing of revenue recognition		
Services rendered over a period of time	35,076.61	25,713.67
	35,076.61	25,713.67

Note No. 34: Auditor's remuneration

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Audit fees:		
i) Statutory Audit Fees	6.00	6.00
ii) Internal Audit Fees	3.00	3.00
Total	9.00	9.00

Note No. 35: Earnings per share

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Profit attributable to equity holders	6,004.38	4,546.57
Profit attributable to equity holders for basic EPS		
Number of shares at the beginning of the year	3,94,50,000	3,94,50,000
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Total number of equity shares outstanding at the end of the year	3,94,50,000	3,94,50,000
Weighted average number of equity shares outstanding during the year – Basic	3,94,50,000	3,94,50,000
Weighted average number of equity shares outstanding during the year – Diluted	3,94,50,000	3,94,50,000
Earnings per share of par value ₹5/- -Basic (₹)	15.22	11.52
Earnings per share of par value ₹5/- – Diluted (₹)	15.22	11.52

During the year, the company has made the stock split as on 2 December 2022 from the face value of the ₹10 per share to ₹5 per Share and consequently the number of shares becomes to 3,94,50,000 from 1,97,25,000. In a capitalisation or bonus issue or a share split, ordinary shares are issued to existing shareholders for no additional consideration. Therefore, the number of ordinary shares outstanding is increased without an increase in resources. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

Note No. 36: Income taxes

The major components of income tax expense for the years ended March 31, 2023 and 31 March 2022 are:

- **Statement of profit and loss**
- **Profit or loss section**

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Current income tax:		
Current income tax charge	1,937.20	1,514.55
Deferred tax:		
Relating to origination and reversal of temporary differences	(24.96)	(13.73)
Income tax expense reported in the statement of profit and loss	1,912.23	1,500.83

OCI section

Deferred tax related to items recognised in OCI during in the year:

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Net loss/(gain) on remeasurements of defined benefit plans	(11.17)	0.60
Deferred tax charged to OCI	2.81	(0.15)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
(a) Accounting profit before income tax	7,916.61	6,047.40
(b) Profit/(loss) before tax from a discontinued operation	-	-
(c) Accounting profit before income tax {(c)=(a+b)}	7,916.61	6,047.40
(d) Corporate tax rate as per Income Tax Act, 1961	25.17%	25.17%

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
(e) Tax on accounting profit {(e)=(c)*(d)}	1,992.61	1,522.13
(f) (i) Tax effect on CSR Expenses	21.08	15.36
(ii) Tax effect on Income Exempt from income taxes	(90.97)	-
(iii) Tax Effect on Items on which deferred tax not recognised	-	(36.31)
(iv) Tax effect on various other items	(10.49)	(0.35)
(g) Total effect of tax adjustments {(i) to (iv)}	(80.38)	(21.30)
(h) Income tax expense reported in the statement of profit and loss {(h)=(e)+(g)}	1,912.23	1,500.83
(i) Effective tax rates {(i)=(h)/(c)}	24.15%	24.82%

Deferred tax relates to the following:

Particulars	Balance Sheet	
	As on 31 March 2023	As on 31 March 2022
Deferred tax liabilities		
WDV differences of assets as per books and tax laws	26.17	(34.14)
	26.17	(34.14)
Deferred tax assets:		
Post-employment benefits gratuity and leave encashment	(12.51)	(10.77)
Initial public offer expenses	(83.53)	-
Others	(2.81)	-
	(98.85)	(10.77)
Net deferred tax (assets)/liabilities	(72.68)	(44.90)

Reflected in the balance sheet as follows:

Particulars	As on 31 March 2023	As on 31 March 2022
Deferred tax assets (continuing operations)	(98.85)	(10.77)
Deferred tax liabilities:		
Continuing operations	26.17	(34.14)
Discontinuing operations	-	-
Deferred tax liabilities/(assets), net	(72.68)	(44.90)

Movement in deferred tax assets & Liabilities during the year end 31 March 2023 and 31 March 2022

Particulars	As on 1 April 2022	Recognised in the statement of profit and loss	Recognised in equity	As on 31 March 2023
Deferred tax assets/(liabilities)				
Property, plant and equipment	(34.14)	60.31	-	26.17
Current liabilities & provisions	(10.77)	(1.75)	-	(12.51)
Others	-	-	(86.34)	(86.34)
Net deferred tax assets/(liabilities)	(44.90)	58.56	(86.34)	(72.68)
Particulars	As on 1 April 2021	Recognised in the statement of profit and loss	Recognised in equity	As on 31 March 2022

Deferred tax assets/(liabilities)				
Property, plant and equipment	(14.23)	(19.91)	-	(34.14)
Current liabilities & provisions	(9.20)	(1.57)	-	(10.77)
Others	-	-	-	-
Net deferred tax assets/(liabilities)	(23.42)	(21.48)	-	(44.90)

Note No. 37: Employee benefits

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Salaries, wages and bonus	2,783.20	2,666.86
Contribution to provident and other funds	255.51	246.47
Staff welfare expenses	114.83	203.93
Total	3,153.54	3,117.27

Notes:

- (i) The Code on Social Security, 2020 ('Code') relating to employee benefits received Presidential assent in September 2020. However, effective date and the final rules/interpretation have not yet been notified/issued. The Company is in the process of assessing the impact of the Code and will recognize the impact, if any, based on its effective date.
- (ii) The Company operates defined benefit plan i.e., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The fund has the form of a trust and it is governed by the Board of Trustees who is responsible for the administration of the plan assets and for the definition of the investment strategy.

During the period the Company has recognized the following amounts in the Statement of profit and loss:

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Employers Contribution to Provident fund	176.91	159.35
Employers Contribution to Employee state insurance	31.94	64.66

Gratuity benefits

In accordance with applicable laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation and plan is unfunded.

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March 2023 and 2022 consist of the following:

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Current service cost	11.07	5.51
Interest on net defined benefit liability/(asset)	1.84	1.32
Expected Return on plan Assets	-	-
Components of defined benefit costs recognized in statement of profit or loss - (A)	12.91	6.83

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Actuarial (gain) / loss on plan obligations	11.17	(0.60)
Components of defined benefit costs recognized in other comprehensive income - (B)	11.17	(0.60)
Total (A+B)	24.08	6.23

The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Present value of defined benefit obligation	49.71	25.64
Less: Fair value of plan assets	-	-
Net liability recognized in the balance sheet	49.71	25.64
Current portion of the above	4.35	3.92
Non-current portion of the above	45.36	21.72

Movement in the present value of the defined benefit obligation is as follows:

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Defined benefit obligations at the beginning of the year	25.64	19.41
Benefits Paid	-	-
Expenses Recognised in statement of Profit & Loss		
Current service cost	11.07	5.51
Interest on defined obligations	1.84	1.32
Expenses Recognised in statement of OCI		
Actuarial loss/(gain) due to change in assumptions	-	-
Actuarial loss/(gain) due to experience changes	11.17	(0.60)
Defined benefit obligations at the end of the year	49.71	25.64

Summary of Actuarial Assumptions

The actuarial assumptions used to determine benefit obligations in accounting for the Gratuity Plan are as follows:

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Discount rate	7.41%	7.18%
Rate of increase in compensation	4.00%	4.00%
Employee attrition Rate	3.00%	3.00%
Expected Average Remaining Service	24.00	24.10

Note No. 38: Related party transactions

Related parties where control / Significant influence exists	Nature of Relationship
Mr. Srinivasa Rao Gaddipati	Key Managerial Personnel
Mrs. Likhitha Gaddipati	
Mr. Sudhanshu Shekhar	
Ms. Pallavi Yerragonda	
Mrs. Sri Lakshmi Gaddipati	Non Executive Director
Mr. Dheeraj Ram Chandra	Relative of Key managerial personnel

Related parties where control / Significant influence exists	Nature of Relationship
Mr. Kutumba Rao Gaddipati	Non Executive Director
Mr. Venkata Sesha Talpa Sai Munupalle	Independent Director
Mr. Sivasankara parameswara Kurup Pillai	Independent Director
Mr. Venkatram Arigapudi	Independent Director
Mrs. Jayashree Voruganty	Independent Director
CPM Likhitha consortium	Subsidiary

Related party disclosures

Particulars	For Year Ended 31 March 2023	For Year Ended 31 March 2022
Rent Provided		
a) Mr. Srinivasa Rao Gaddipati	37.80	37.80
Remuneration Provided		
a) Mrs. Likhitha Gaddipati	18.00	9.00
b) Mr. Sudhanshu Shekhar	18.60	18.60
c) Ms. Pallavi Yerragonda	1.76	-
d) Triveni Banda-(Ex CS)	2.27	1.33
e) Mr. Dheeraj Ram Chandra	18.00	-
Sitting Fees Provided		
a) Mr. Venkata Sesha Talpa Sai Munupalle	1.10	1.70
b) Mr. Sivasankara parameswara Kurup Pillai	1.70	2.30
c) Mr. Venkatram Arigapudi	0.70	1.10
d) Mrs. Jayashree Voruganty	0.60	0.90

Transactions with Subsidiaries

a) CPM Likhitha Consortium (Investment made)	361.42	17.71
b) CPM Likhitha Consortium (Advance given)	579.61	166.93
c) CPM Likhitha Consortium (Sale of Services)	5,533.21	1,052.39

Outstanding amounts for the year ended

Particulars	As at 31 March 2023	As at 31 March 2022
Rent Payable		
a) Mr. Srinivasa Rao Gaddipati	5.67	-
Remuneration Payable		
a) Mr. Srinivasa Rao Gaddipati	283.16	320.22
b) Mrs. Sri Lakshmi Gaddipati	110.37	120.37
c) Mrs. Likhitha Gaddipati	0.06	1.17
d) Mr. Sudhanshu Shekhar	1.48	1.55
e) Ms. Pallavi Yerragonda	0.42	-
f) Triveni Banda-(Ex CS)	-	0.37
g) Mr. Dheeraj Ram Chandra	0.06	1.17
Sitting Fees Payable		
a) Mr. Venkata Sesha Talpa Sai Munupalle	-	0.54
b) Mr. Sivasankara parameswara Kurup Pillai	0.17	0.31
c) Mr. Venkatram Arigapudi	-	0.36
d) Mrs. Jayashree Voruganty	0.09	0.36
In respect of Subsidiaries		
a) CPM Likhitha Consortium (Investment)	379.14	17.71
b) CPM Likhitha Consortium (Advance)	764.42	184.81

Particulars	As at 31 March 2023	As at 31 March 2022
c) CPM Likhitha Consortium (Debtors)	-	1,210.25

Note No. 39: Financial instruments and fair value

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

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial instruments by category.

The carrying value and fair value of financial instruments as at March 31, 2023 and 2022, respectively were as follows:

	As at 31 March 2023		As at 31 March 2022	
	Total Carrying Value	Total Fair Value	Total Carrying Value	Total Fair Value
Assets				
Cash and cash equivalents including the other bank balances	4,018.05	4,018.05	2,251.85	2,251.85
Investments	5,655.94	5,655.94	3,942.11	3,942.11
Trade receivables	7,088.98	7,088.98	6,777.70	6,777.70
Loans	1,100.74	1,100.74	457.32	457.32
Other financial assets	1,863.10	1,863.10	1,530.31	1,530.31
Total	19,726.81	19,726.81	14,959.29	14,959.29
Liabilities				
Trade payables	2,786.56	2,786.56	892.58	892.58
Other financial liabilities	724.70	724.70	111.90	111.90
Total	3,511.26	3,511.26	1,004.48	1,004.48

There has been no transfers between levels during the year. The fair values of derivatives are based on derived mark-to-market values. The management has assessed that the carrying values of financial assets and financial liabilities for which fair values are disclosed, reasonably approximate their fair values because these instruments have short-term maturities.

Note No. 40: Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade and other receivables, cash and cash equivalents, bank balances, security deposits.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate

because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, derivatives financial instruments and trade payables.

i. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency trade payables. The summary of derivative instruments and unhedged foreign currency exposure is as below:

Un-hedged foreign currency exposure as at the reporting date:

All amounts are in US Dollars (\$)

Particulars	As at 31 March 2023
Advances to suppliers	19,660.85

Particulars	As at 31 March 2022
Advances to suppliers	620.44

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant and without considering impact of derivatives not designated as hedges:

(All Amounts are in Indian Rupees, Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	5% increase	5% decrease	5% increase	5% decrease
Impact on profit before tax	(0.80)	0.80	(0.02)	0.02

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and scheduled banks and hence, the Company does not expect any credit risk with respect to these financial assets.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Details of financial assets – not due, past due and impaired

None of the Company's cash equivalents, including term deposits with banks, were past due or impaired as at 31 March 2023. The Company's credit period for trade and other receivables payable by its customers generally ranges from 30-60 days.

The ageing of trade and other receivables is given below:

Particulars	As at 31 March 2023	As at 31 March 2022
Neither past due nor impaired	-	-
Past due but not impaired		
Less than 365 days	6,925.99	6,777.70
More than 365 days	162.99	-
	7,088.98	6,777.70
Less : Allowance for credit losses	-	-
Total	7,088.98	6,777.70

(c) Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities on undiscounted basis:

Maturities	Upto 1 year	1-3 Years	3-5 Years	Above 5 Years	Total
As at 31 March 2023					
Trade payables	2,786.56	-	-	-	2,786.56
Other financial liabilities	724.70	-	-	-	724.70
Total	3,511.26	-	-	-	3,511.26
As at 31 March 2022					
Trade payables	892.58	-	-	-	892.58
Other financial liabilities	111.90	-	-	-	111.90
Total	1,004.48	-	-	-	1,004.48

Note No. 41 Details of CSR expenditure

Details of Corporate Social Responsibility expenditure in accordance with section 135 of the Companies Act, 2013:

Particulars	As at 31 March 2023	As at 31 March 2022
i) Amount required to be spent by the company during the year	83.75	61.00
ii) Amount required to be set off for the financial year, if any	-	-
(iii) Total CSR obligation for the financial year	83.75	61.00
iv) Amount of expenditure incurred	83.75	61.00
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	83.75	61.00
v) Shortfall/ (Pre spent) at the end of the year ((iii)-(iv))*	-	-
vi) Total of previous years shortfall	-	-
vii) Reason for shortfall	N.A	N.A

Particulars	As at 31 March 2023	As at 31 March 2022
viii) Nature of CSR activities	Restoration of Building, Eradicating Hunger, Promoting Education and Promoting Healthcare	
ix) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard		N.A
x) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision		N.A

Note No. 42: Ratio Analysis

Ratio	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	Variance (in %)
Current ratio	Current Assets	Current Liabilities	5.59	8.10	(30.97%) ¹
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.18	0.12	47.61% ²
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.27	0.26	3.19%
Inventory Turnover ratio	Cost of goods sold	Average Inventory	4.12	4.71	(12.36%)
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	5.06	4.89	3.46%
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	13.85	33.16	(58.24%) ³
Net Capital Turnover Ratio	Revenue	Working capital	1.74	1.60	8.91%
Net Profit ratio	Net Profit	Revenue	0.17	0.17	(1.51%)
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	0.35	0.35	1.31%
Return on Investment	Income generated from investments	Time weighted average investments	0.12	0.08	50.78% ⁴

Reasons for variance

- 1) Increase in trade payables during the current financial year.
- 2) Increase in shareholders equity during the current year and also decrease in debt for the current year
- 3) Increase in net credit purchases for the current financial year.
- 4) Increase in income from investments for the current financial year.

Note No. 43: Other statutory information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company does not have any transactions with struck off companies.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- 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.
- (vii) The Company has not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (x) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.
- (xi) The Company has borrowings from banks against security of its current assets. The reports or statements of Current assets filed by the company with banks are in agreement with the books of accounts.

Note No. 44: Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Note No. 45: Commitments and contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Contingent Liabilities		
a) Claims against the company / disputed liabilities not acknowledged as debts		
Income Tax	527.54	527.54
Goods and Service Tax(GST)	27.54	27.54
b) Guarantees		
Bank Guarantee	8,497.57	7,033.65
	9,052.65	7,588.73

Note No. 46

Previous period/year figures have been recompanied/re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

Consolidated Financials



INDEPENDENT AUDITOR’S REPORT

To
The Members of,
LIKHITHA INFRASTRUCTURE LIMITED.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of **LIKHITHA INFRASTRUCTURE LIMITED** (“the Parent”) and its subsidiaries (the parent and its subsidiaries together referred to as the “Group”) which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including Other Comprehensive Income), the cash flow Statement and the statement of changes in equity and for the year then ended, and notes to the 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 Consolidated Financial Statements give the information required by the Companies Act, 2013 (“The Act”) in the manner so required and give a true and fair view in conformity with other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current financial year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined matters described below to be the key audit matters to be communicated in our report.

Revenue recognition – Accounting for Construction Contracts	
Key audit matter description	<ul style="list-style-type: none"> There are significant accounting judgements in estimating revenue to be recognized on contracts with customers, including estimation of costs to complete. The Company recognizes revenue on the basis of stage of completion in proportion of the contract costs incurred at balance sheet date, relative to the total estimated costs of the contract at completion. The recognition of revenue is therefore dependent on estimates in relation to total estimated costs of each such contract.
	<ul style="list-style-type: none"> Significant judgements are involved in determining the expected losses, when such losses become probable based on the expected total contract cost. Cost contingencies are included in these estimates to take into account specific risks of

	<p>uncertainties or disputed claims against the Company, arising within each contract. These contingencies are reviewed by the Management on a regular basis throughout the life of the contract and adjusted where appropriate. The revenue on contracts may also include variable consideration (variations and claims). Variable consideration is recognized when the recovery of such consideration is highly probable</p>
Audit Procedures	<p>Our audit procedures relates to the</p> <ol style="list-style-type: none"> 1. Identification of distinct performance obligations, 2. Evaluation of the process for estimation of costs to complete, 3. Evaluation of implications of change orders on costs estimates of costs to complete and revenue and 4. Evaluation of any variable consideration included the following, amongst others: <ul style="list-style-type: none"> • We tested the effectiveness of controls relating to the (a) evaluation of performance obligations and identification of those that are distinct; (b) estimation of costs to complete each of the performance obligations including the contingencies in respect thereof, as work progresses and the impact thereon as a consequence of change orders; (c) the impact of change orders on the transaction price of the related contracts; and (d) evaluation of the impact of variable consideration on the transaction price.
	<ul style="list-style-type: none"> • We selected a sample of contracts with customers and performed the following procedures: <ol style="list-style-type: none"> a. Obtained and read contract documents for each selection, change orders, and other documents that were part of the agreement. b. Identified significant terms and deliverables in the contract to assess management’s conclusions regarding the (i) identification of distinct performance obligations; (ii) changes to costs to complete as work progresses and as a consequence of change orders; (iii) the impact of change orders on the transaction price; and (iv) the evaluation of the adjustment to the transaction price on account of variable consideration.
	<ol style="list-style-type: none"> c. Compared costs incurred with Company’s estimates of costs incurred to date to identify significant variations and evaluated whether those variations have been considered appropriately in estimating the remaining costs to complete the contract. d. Tested the estimate for consistency with the status of delivery of milestones and customer acceptance to identify possible delays in achieving milestones, which require changes in estimated costs or efforts to complete the remaining performance obligation.

Information other than the financial statements and Auditor’s Report thereon

- The parent Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, for example, Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the consolidated financial statements and our auditor’s report thereon. The other information as stated above is expected to be made available to us after the date of this auditor’s report.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The parent Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the 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 consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, consolidated Statement of Profit and Loss including Other Comprehensive Income, The consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Group has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS financial statements.

- ii. The Group has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
- iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Holding Company and subsidiary company incorporated in India.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The amount of dividend is in accordance with the section 123 of the Act
 - (a) The final dividend paid by the parent company during the year in respect of previous year is in accordance with Section 123 of the Act, to the extent it applies to payment of dividend.
 - (b) The Board of Directors of the parent Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act, as applicable to the extent it applies to declaration of dividend.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1 April 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

For NSVR & ASSOCIATES LLP

Chartered Accountants,
Firm Reg No: 008801S/S200060

Suresh Gannamani

Partner

Membership No: 226870

UDIN: 23226870BGVRZZ4802

Place : Hyderabad
Date : 18 May 2023

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of **LIKHITHA INFRASTRUCTURE LIMITED** of even date)

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

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended 31 March 2023.

We have audited the internal financial controls with reference to consolidated financial statements of **LIKHITHA INFRASTRUCTURE LIMITED** (“the Parent”) and its Subsidiary which is incorporated in India as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company are 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. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of internal financial Controls over Financial reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purpose in accordance with generally accepted accounting principles. A company’s internal financial controls over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For NSVR & ASSOCIATES LLP
Chartered Accountants,
Firm Reg No: 008801S/S200060

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZZ4802

Place : Hyderabad
Date : 18 May 2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of LIKHITHA INFRASTRUCTURE LIMITED of even date)

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

xxi. There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For NSVR & ASSOCIATES LLP
Chartered Accountants,
Firm Reg No: 008801S/S200060

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZZ4802

Place : Hyderabad
Date : 18 May 2023

Consolidated Balance Sheet as at 31 March 2023

Amount in Indian rupees lakhs, except share data and where otherwise stated)

Particulars	Note No	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current Assets			
(a) Property, plant and equipment	3	1,986.00	1,598.22
(b) Investment property	3(i)	216.56	222.42
(c) Intangible assets	3(ii)	1.57	2.11
(d) Financial assets			
(i) Investments	4(i)	1,373.74	1.75
(ii) Loans	5	336.96	272.51
(iii) Other financial assets	6	558.40	783.29
(e) Deferred tax assets (Net)	14	72.68	44.90
Total non-current assets (A)		4,545.90	2,925.21
Current assets			
(a) Inventories	7	6,938.72	4,660.89
(b) Financial assets			
(i) Investments	4(ii)	3,903.07	3,922.65
(ii) Trade receivables	8	9,005.47	6,763.22
(iii) Cash and cash equivalents	9	2,327.69	762.79
(iv) Other bank balances	10	970.88	1,527.42
(v) Loans		-	-
(vi) Other financial assets	11	1,305.15	747.02
(c) Current tax assets (Net)	12	(5.27)	-
(d) Other current assets	13	612.29	327.45
Total current assets (B)		25,058.00	18,711.44
Total assets (A+B)		29,603.90	21,636.65
Equity and liabilities			
Equity			
(a) Equity share capital	15	1,972.50	1,972.50
(b) Other equity	16	23,035.55	17,288.82
Total equity attributable to owners of the company		25,008.05	19,261.32
Non controlling interest		90.44	13.10
Total equity (A)		25,098.50	19,274.42
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Long-term borrowings		-	-
(b) Non-current provisions	17	45.36	21.72
Total non-current liabilities (B)		45.36	21.72
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Trade payables:			
(a) Total outstanding dues of micro enterprises and small enterprises			
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	18	2,820.44	905.60
(iii) Other financial liabilities	19	725.70	111.90
(b) Other current liabilities	20	909.54	1,204.68
(c) Current provisions	21	4.35	3.92
(d) Current tax liability (Net)	22	-	114.41
Total current liabilities (C)		4,460.04	2,340.51
Total equity and liabilities (A+B+C)		29,603.90	21,636.65

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date
For **NSVR & ASSOCIATES LLP**
Chartered Accountants
FRN: 008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZZ4802

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Place: Hyderabad
Date: 18 May 2023

Likhitha Gaddipati
Chief Financial Officer

Yerragonda Pallavi
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

Consolidated Statement of Profit and Loss for the Year Ended 31 March 2023

(Amount in Indian rupees lakhs, except share data and where otherwise

stated)

Particulars	Note No	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Income			
Revenue from contract with customers	23	36,495.50	25,721.17
Other income	24	423.48	354.90
Total Income (A)		36,918.98	26,076.07
Expenses			
Cost of materials consumed	25	6,184.88	5,169.52
Construction expenses	26	19,651.26	12,579.27
Changes in inventories of work-in-progress	27	(2,171.28)	(2,346.62)
Employee benefit expenses	28	3,406.47	3,255.18
Finance costs	29	77.66	53.32
Depreciation and amortization expense	30	507.21	368.65
Other expenses	31	1,116.85	848.66
Total expenses (B)		28,773.05	19,927.99
Profit before tax (A-B)		8,145.93	6,148.09
Tax expense			
(1) Current tax		2,143.62	1,549.74
(2) Adjustment of tax relating to earlier periods		(2.41)	-
(3) Deferred tax		(24.96)	(13.73)
Profit for the year after tax		6,029.68	4,612.07
Other comprehensive income (OCI)			
(i) Items that will not be reclassified to profit or loss			
Re-measurement gains / (losses) on defined benefit plans		(11.17)	0.60
Tax impact on above item		2.81	(0.15)
(ii) Items that will be reclassified to profit or loss		-	-
Other comprehensive income / (Loss) for the year, net of tax		(8.36)	0.45
Total comprehensive income for the year, net of tax		6,021.33	4,612.53
Profit for the year		6,029.68	4,612.07
Attributable to:			
Equity holders of the parent		5,952.34	4,598.97
Non-controlling interests		77.34	13.10
Other comprehensive income for the year		(8.36)	0.45
Attributable to:			
Equity holders of the parent		(8.36)	0.45
Non-controlling interests		-	-
Total comprehensive income for the year		6,021.33	4,612.53
Attributable to:			
Equity holders of the parent		5,943.98	4,599.43
Non-controlling interests		77.34	13.10
Earnings per share			
Basic earnings per share of ₹5/-each		15.28	11.69
Diluted earnings per share of ₹5/- each		15.28	11.69

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date
For **NSVR & ASSOCIATES LLP**
Chartered Accountants
FRN: 008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZZ4802

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Place: Hyderabad
Date: 18 May 2023

Likhitha Gaddipati
Chief Financial Officer

Yerragonda Pallavi
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2023

(Amount in Indian rupees lakhs, except share data and where otherwise stated)

Equity share capital	Opening balance as at 1 April 2022	Changes in equity share capital during the year	Closing balance as at 31 March 2023
3,94,50,000 Equity shares of ₹5 each, fully paid up	1,972.50	-	1,972.50
	1,972.50		1,972.50
Equity share capital	Opening balance as at 1 April 2021	Changes in equity share capital during the year	Closing balance as at 31 March 2022
1,97,25,000 Equity Shares of ₹10 each, fully paid up	1,972.50	-	1,972.50
	1,972.50		1,972.50

Particulars	Reserves and surplus			Items of the comprehensive income			Total other equity
	Retained Earnings	General Reserves	Securities Premium	Re-measurement gains/ (losses) on defined benefit plans net of tax	Total Equity attributable to equity shareholders of parent	Non-Controlling Interest	
Balance as at 1 April 2022	12,428.78	17.56	4,802.04	40.43	17,288.82	13.10	17,301.92
Profit for the year	5,952.34	-	-	-	5,952.34	77.34	6,029.68
Dividends	(197.25)	-	-	-	(197.25)	-	(197.25)
Re-measurement gains/ (losses) on defined benefit plans net of tax	-	-	(8.36)	-	(8.36)	-	(8.36)
Balance as at 31 March 2023	18,183.87	17.56	4,793.69	40.43	23,035.55	90.44	23,126.00

Particulars	Reserves and surplus			Items of other comprehensive income			Total other equity
	Retained Earnings	General Reserves	Securities Premium	Re-measurement gains/ (losses) on defined benefit plans net of tax	Total Equity attributable to equity shareholders of parent	Non-Controlling Interest	
Balance as at 1 April 2021	8,421.56	17.56	4,888.76	39.98	13,367.85	-	13,367.85
Profit for the year	4,598.97	-	-	-	4,598.97	13.10	4,612.07
Dividends	(591.75)	-	-	-	(591.75)	-	(591.75)
Initial public offer expenses	-	-	(86.72)	-	(86.72)	-	(86.72)
Re-measurement gains/ (losses) on defined benefit plans net of tax	-	-	-	0.45	0.45	-	0.45
Balance as at 31 March 2022	12,428.78	17.56	4,802.04	40.43	17,288.82	13.10	17,301.92

Nature and purpose of reserves

Retained earnings

The balance in the retained earnings primarily represents the surplus after payment of dividend and transfer to reserves.

General reserve

Under the erstwhile companies act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of companies act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of companies act, 2013. As the general

reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Re-measurement gains/ (losses) on defined benefit plans

Remeasurements of the net defined benefits plan reserve comprises the cumulative net gains/ losses on actuarial valuation of post-employment obligations.

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date
For **NSVR & ASSOCIATES LLP**
Chartered Accountants
FRN: 008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZZ4802

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Place : Hyderabad
Date : 18 May 2023

Likhitha Gaddipati
Chief Financial Officer

Yerragonda Pallavi
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

Consolidated Cash Flow Statement for the Year Ended 31 March 2023

(Amount in Indian rupees lakhs, except share data and where otherwise stated)

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
A. Cash flow from operating activities		
Net profit before tax	8,145.93	6,148.09
Adjustments for:		
Depreciation and amortization expense	507.21	368.65
Finance costs	77.66	53.32
(Profit)/loss on sale of property, plant and equipment	(5.05)	-
Interest income	(379.71)	(327.45)
Operating profit before working capital changes	8,346.03	6,242.61
Changes in operating assets and liabilities:		
Inventory	(2,277.83)	(2,410.36)
Trade receivables	(2,242.25)	(2,879.48)
Loans	(64.45)	11.39
Other financial assets	(333.24)	139.30
Other current assets	(284.83)	(173.13)
Trade payables	1,914.84	725.69
Provisions	12.91	6.23
Current financial liabilities	613.80	67.14
Other current liabilities	(295.14)	(86.53)
Changes in working capital	(2,956.20)	(4,599.76)
Cash generated from operating activities before tax	5,389.83	1,642.85
Income tax paid	(2,250.34)	(1,331.63)
Net cash from / (used in) operating activities	3,139.49	311.22
B. Cash flows from investing activities		
Purchase of property, plant and equipment	(918.14)	(1,023.01)
Proceeds from sale of property, plant and equipment	34.61	-
Investments in bank deposits (having original maturity of more than 3 months)	(1,352.40)	-
Redemption/maturity of bank deposits (having original maturity of more than 3 months)	-	1,652.36
Interest income	379.71	327.45
Net cash from / (used in) investing activities	(1,856.22)	956.80
C. Cash flows from financing activities		
Finance costs	(77.66)	(53.32)
Dividend paid	(197.25)	(591.75)
Initial public offer expenses (issue of shares)	-	(86.72)
Net cash from / (used in) financing activities	(274.91)	(731.79)
Net increase / (decrease) in cash and cash equivalents	1,008.36	536.24
Cash and cash equivalents at beginning of the year	2,290.21	1,753.97
Cash and cash equivalents at end of the year	3,298.57	2,290.21

Cash and cash equivalents include the following for cash flow purpose

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Cash on hand	114.29	5.34
Cash equivalents		
Current accounts (Including the debit balance of cash credit account)	2,017.77	754.77
Other restricted bank balances	1,163.09	1,527.42
Less: Dividend amount in banks	3.42	2.67
Cash and cash equivalents	3,298.57	2,290.21

The accompanying notes form an integral part of the Consolidated Financial Statements

As per our report of even date
For **NSVR & ASSOCIATES LLP**
Chartered Accountants
FRN: 008801S/S200060

For and on behalf of Board of Directors

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 23226870BGVRZZ4802

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Place : Hyderabad
Date : 18 May 2023

Likhitha Gaddipati
Chief Financial Officer

Yerragonda Pallavi
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

1. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Corporate Information

Likhitha Infrastructure Limited (the Company) is a limited Company bearing CIN: L45200TG1998PLC029911 incorporated in India on 6 August 1998. The address of its registered office is in the state of Telangana, India in accordance with the provisions of the Companies Act, 1956. The Company is engaged in the business of laying gas supply pipe lines and irrigation canals, building bridges over the canals and related maintenance works.

The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange.

1.2 Basis of Preparation of financial Statements

a) Statement of Compliance

The consolidated financial statements of Likhitha Infrastructure Limited (“the Company”) along with its subsidiaries (collectively termed as “group” or “the consolidated entities”) have been prepared and presented in accordance with and in compliance in all material aspects, with the Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (the “Act”) read along with the Companies (Indian Accounting Standards) Rules 2015, and presentation requirements of Division II of Schedule III to the Companies Act, 2013, and as amended from time to time together with the comparative period data as at and for the year ended 31 March 2022.

These consolidated financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that is effective at the Company’s annual reporting date, 31 March 2023. These financial statements for the year ended 31 March 2023 were approved by the Company’s Board of Directors on 18 May 2023.

b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- a) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments); and
- b) Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation.

1.3 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Company and its subsidiaries as at 31 March, 2023.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee,

the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group's voting rights and potential voting rights.
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and Property, plant and equipment are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the equity holder of the parent of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognized in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

Details of entities controlled by the company are as under:

Name of the enterprises	Country of Incorporation	Nature of business	Shareholding/Controlling interest
CPM-Likhitha Consortium	India	Laying of Gas Pipe Lines	80%

2. Summary of significant accounting policies

2.1 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.

- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss in accordance with Ind AS 109. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognized in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

2.2 Current and noncurrent classification

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

All the assets and liabilities have been classified as current or noncurrent as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of financial statements.

An asset is classified as current when it satisfies any of the following criteria:

- a) It is expected to be realized in, or is intended for sale or consumption in, the Group's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is expected to be realized within twelve months after the reporting date; or
- d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- a) It is expected to be settled in the Group's normal operating cycle;
- b) It is held primarily for the purpose of being traded;
- c) It is due to be settled within twelve months after the reporting date; or
- d) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

The Company classifies all other liabilities as noncurrent.

Current assets/liabilities include the current portion of noncurrent assets/liabilities respectively. Deferred tax assets and liabilities are always disclosed as non-current.

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

2.3 Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All the financial information presented in Indian rupees has been rounded to the nearest lakhs.

2.4 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

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

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

2.5 Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date, the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the statement of profit and loss.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial transaction.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in other comprehensive income ("OCI") or profit or loss are also recognized in OCI or profit or loss, respectively).

2.6 Property plant and equipment

The cost of an item of property, plant and equipment are recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Freehold land is carried at historical cost less any accumulated impairment losses.

Items of property, plant and equipment (including capital-work-in progress) are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, non-refundable duties and taxes applicable, and other expenses related to acquisition and installation.

The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Depreciation

Depreciation on items of PPE is provided on Written down value basis, computed on the basis of useful lives as mentioned in Schedule II to the Companies Act, 2013. Depreciation on additions / disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use / disposed-off.

Type of Asset	Estimated useful life in years
Plant & Machinery	25
Electrical Installations	25
Furniture & Fixtures	10
Office Equipment	5
Computers	6
Vehicles	8

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

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

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress.

Investment Property

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Company, are classified as investment property. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Investment properties are depreciated using the written down value basis method over the useful lives.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Land	Non depreciable assets
Buildings	30

2.7 Intangible Assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortisation

Amortisation is recognized in the statement of profit and loss on a written down value basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefit are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Computer Software	3

The amortisation period and the amortisation method for intangible assets with a finite useful life are reviewed at each reporting date.

2.8 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not

recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost, if both of the following conditions are met: (i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and (ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as FVTOCI, if both of the following criteria are met: (i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and (ii) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as FVTPL. If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

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

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

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to the statement of profit and loss.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit and loss.

Loans and borrowings

Borrowings is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through

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

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the re-classification prospectively from the re-classification date, which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

2.9 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, and other short-term deposits. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment, and which are subject to an insignificant risk of change in value. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

2.10 Inventory

Inventories are valued at the lower of cost and net realizable value.

Inventories consisting of materials, stores and spares and loose tools are valued at cost or net realizable value by using weighted average method.

Project and construction related work in progress is valued at cost.

Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

2.11 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment.

If any such indication exists, then the asset's recoverable amount is estimated.

For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the "cash-generating unit").

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the entity operates, or for the market in which the asset is used.

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

Reversal of Impairment of Assets

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.12 Employee benefits

Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

The Company's contributions to defined contribution plans are charged to the statement of profit and loss as and when the services are received from the employees.

Defined benefit plans

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present

value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. In countries where there is no deep market in such bonds, the market interest rates on government bonds are used. The current service cost of the defined benefit plan, recognized in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. Past service costs are recognized immediately in the statement of profit and loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions for defined benefit obligation and plan assets are recognized in OCI in the period in which they arise. When the benefits under a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the statement of profit and loss. The Company recognizes gains or losses on the settlement of a defined benefit plan obligation when the settlement occurs.

Termination benefits

Termination benefits are recognized as an expense in the statement of profit and loss when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense in the statement of profit and loss if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Other long-term employee benefits

The Company's net obligation in respect of other long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and previous periods. That benefit is discounted to determine its present value. Re-measurements are recognized in the statement of profit and loss in the period in which they arise.

Compensated absences

The Company's current policies permit certain categories of its employees to accumulate and carry forward a portion of their unutilized compensated absences and utilise them in future periods or receive cash in lieu thereof in accordance with the terms of such policies. The Company measures the expected cost of accumulating compensated absences as the additional amount that the Company incurs as a result of the unused entitlement that has accumulated at the reporting date. Such measurement is based on actuarial valuation as at the reporting date carried out by a qualified actuary.

2.13 Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognized in the statement of profit and loss if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities and contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

Onerous contracts

A provision for onerous contracts is recognized in the statement of profit and loss when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Reimbursement rights

Expected reimbursements for expenditures required to settle a provision are recognized in the statement of profit and loss only when receipt of such reimbursements is virtually certain. Such reimbursements are recognized as a separate asset in the balance sheet, with a corresponding credit to the specific expense for which the provision has been made.

2.14 Revenue recognition

Revenue from contracts with customers is recognized when a performance obligation is satisfied by transfer of promised goods or services to a customer.

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

- a) the customer simultaneously consumes the benefit of the Company's performance or
- b) the customer controls the asset as it is being created/enhanced by the Company's performance or
- c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents,

In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognized to the extent of transaction price allocated to the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party.

The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated

with the variable consideration is resolved. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and the financing component, if significant, is separated from the transaction price and accounted as interest income.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in profit or loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Revenue from construction / project related activity is recognized as follows:

Fixed price contracts: Contract revenue is recognized over time to the extent of performance obligation satisfied and control is transferred to the customer. Contract revenue is recognized at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the Company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfill such remaining performance obligations). The Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

2.15 Interest Income

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee and term deposits.

Interest income or expense is recognized using the effective interest method (EIR).

Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

2.16 Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

2.17 Tax Expenses

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in Other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction). Management

periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities and assets are recognized for all taxable temporary differences and deductible temporary differences.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in OCI or in equity in correlation to the underlying transaction).

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

Goods and Service Tax (GST) paid on acquisition of assets or on incurring expenses

When the tax incurred on purchase of assets or services is not recoverable from the taxation authority, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable. Otherwise, expenses and assets are recognized net of the amount of taxes paid. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.18 Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit (considered in determination of basic

earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

2.19 Segment reporting

The Company is engaged in the “laying of gas pipe lines and development of allied infrastructure” and the same constitutes a single reportable business segment as per Ind AS 108. Accordingly, disclosure of segment information as prescribed in the Indian accounting standard 108 “Operating segments” is not applicable

2.20 Share capital

Incremental costs directly attributable to the issue of equity shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

2.21 Significant accounting judgments, estimates, and assumption

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

Property, plant and equipment

The depreciation of property, plant and equipment is derived on determining an estimate of an asset’s expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company’s assets are determined by management at the time of acquisition of asset and is reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life.

Impairment of financial and non-financial assets

Significant management judgment is required to determine the amounts of impairment loss on the financial and nonfinancial assets. The calculations of impairment loss are sensitive to underlying assumptions.

Tax provisions and contingencies

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

Defined benefit plans

The cost of the defined benefit plan and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-

term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using internal valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

2.22 New standards adopted by the company

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts.

This amendment is essentially clarification and had there is no significant impact on the consolidated financial statements.

Amendments to Ind AS 16- Property, Plant and Equipment: Proceeds before Intended Use

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 1, 2022. These amendments had no impact on the consolidated financial statements.

Amendments to Ind AS 103, Business Combinations: Reference to the Conceptual Framework

This amendment added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

In accordance with the transitional provisions, the company applies the amendments prospectively, i.e., to business combinations occurring after the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

These amendments had no impact on the consolidated financial statements of the Group as there were no transactions within the scope of these amendments that arose during the period.

2.23 New Accounting pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The group does not expect this amendment to have any significant impact in its consolidated financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The company does not expect this amendment to have any significant impact in its consolidated financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The company does not expect this amendment to have any significant impact in its consolidated financial statements.

Note No.3: Property, plant and equipment

(Amount in Indian rupees lakhs, except share data and where otherwise stated)

Particulars	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
Gross carrying value						
Balance as at 1 April 2021	1,453.99	41.93	198.35	23.33	39.70	1,757.30
Additions during the Year	974.83	2.24	25.33	2.90	17.70	1,023.01
Disposals for the year	-	-	-	-	-	-
Balance as at 31 March 2022	2,428.82	44.17	223.68	26.23	57.41	2,780.31
Additions during the Year	802.05	1.22	100.86	1.59	12.42	918.14
Disposals for the year	116.07	6.41	39.15	19.45	15.44	196.51
Balance as at 31 March 2023	3,114.81	38.99	285.39	8.38	54.39	3,501.95
Accumulated depreciation						
Balance as at 1 April 2021	650.09	11.46	117.81	19.78	21.48	820.63
Depreciation charge for the year	291.55	12.74	34.55	4.12	18.50	361.46
On disposals	-	-	-	-	-	-
Balance as at 31 March 2022	941.65	24.20	152.36	23.91	39.98	1,182.09
Depreciation charge for the year	432.47	6.82	48.60	1.62	11.29	500.80
On disposals	99.09	6.18	33.88	18.45	9.35	166.95

Balance as at 31 March 2023	1,275.02	24.84	167.08	7.08	41.93	1,515.95
Net carrying value						
As at 31 March 2021	803.90	30.47	80.54	3.55	18.22	936.67
As at 31 March 2022	1,487.18	19.97	71.32	2.33	17.43	1,598.22
As at 31 March 2023	1,839.78	14.15	118.31	1.29	12.46	1,986.00

Note No.3(i): Investment property

Particulars	Land	Buildings
Balance as at 1 April 2021	180.19	64.95
Additions during the Year	-	-
Disposals for the year	-	-
Balance as at 31 March 2022	180.19	64.95
Additions during the Year	-	-
Disposals for the year	-	-
Balance as at 31 March 2023	180.19	64.95
Accumulated depreciation		
Balance as at 1 April 2021	-	16.26
Depreciation charge for the year	-	6.46
On disposals	-	-
Balance as at 31 March 2022	-	22.72
Depreciation charge for the year	-	5.86
On disposals	-	-
Balance as at 31 March 2023	-	28.58
Net carrying value		
As at 31 March 2021	180.19	48.69
As at 31 March 2022	180.19	42.23
As at 31 March 2023	180.19	36.37

Note No.3(ii): Intangible Assets

Particulars	Amount
Gross carrying value	
Balance as at 1 April 2021	3.00
Additions for the year	-
Disposals for the year	-
Balance as at 31 March 2022	3.00
Additions during the Year	-
Disposals for the year	-
Balance as at 31 March 2023	3.00
Accumulated depreciation	
Balance as at 1 April 2021	0.15
Amortisation charge for the year	0.73
On Disposals	-
Balance as at 31 March 2022	0.89
Amortisation charge for the year	0.55
On disposals	-
Balance as at 31 March 2023	1.43
Net carrying value	
As at 31 March 2021	2.85
As at 31 March 2022	2.11
As at 31 March 2023	1.57

Note No.4(i): Non current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed deposits with bank having maturity more than 12 months	1,373.74	1.75
Total	1,373.74	1.75

Note No.4(ii): Current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed deposits with banks having maturity more than 3 months but less than 12 months	3,903.07	3,922.65
Total	3,903.07	3,922.65

Note No.5: Loans

Particulars	As at 31 March 2023	As at 31 March 2022
Loans to others	336.96	272.51
Total	336.96	272.51

Note No.6: Other non-current financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Retention money receivable	558.40	783.29
Total	558.40	783.29

Note No.7: Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Work-in-progress	6,729.79	4,558.51
Material at site	208.94	102.38
Total	6,938.72	4,660.89

Note No.8: Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good	9,005.47	6,763.22
Total	9,005.47	6,763.22

Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 Months - 1 Year	1-2 Years	2-3 Years	More than 3 years	Total
Undisputed trade receivables - considered good	-	8,807.00	35.47	162.99	-	-	9,005.47
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowances for credit losses	-	-	-	-	-	-	-
Balance as at 31 March 2023	-	8,807.00	35.47	162.99	-	-	9,005.47
Undisputed trade receivables - considered good	-	6,616.25	146.97	-	-	-	6,763.22
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Less: Allowances for credit losses	-	-	-	-	-	-	-
Balance as at 31 March 2022	-	6,616.25	146.97	-	-	-	6,763.22

Note No.9: Cash and Cash Equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	114.29	5.34
Balances with banks in		
Current accounts (Including the debit balance of cash credit account)	2,017.77	754.77
Dividend accounts	3.42	2.67
Bank deposits with maturity less than 3 months (Other restricted cash balances)	192.21	-
Total	2,327.69	762.79

Note No.10: Other Bank Balances

Particulars	As at 31 March 2023	As at 31 March 2022
Bank deposits with maturity more than 3 months but less 12 months (Other restricted cash balances)	970.88	1,527.42
Total	970.88	1,527.42

Note No.11: Other Financial Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Retention money receivable	1,304.44	746.88
Other receivables	0.71	0.14
Total	1,305.15	747.02

Note No.12: Current Tax Asset (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax asset (Net)	(5.27)	-
Total	(5.27)	-

Note No.13: Other current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Advance to vendors	495.26	211.19
Prepaid expenses	53.38	49.04
Deposits paid under protest	58.39	64.32
Advance to employees	5.26	2.90
Total	612.29	327.45

Note No.14: Deferred tax Assets (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax Assets (Net)	72.68	44.90
Total	72.68	44.90

Note No.15: Equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorized share capital		
4,00,00,000 equity shares of ₹ 5 each (Previous year :2,00,00,000 equity shares of ₹10 each)	2,000.00	2,000.00
Issued subscribed and paid up share capital		
3,94,50,000 Equity shares of ₹ 5 each, fully paid up (Previous year : 1,97,25,000 equity shares of ₹10 each, fully paid up)	1,972.50	1,972.50
Total	1,972.50	1,972.50

Reconciliation of equity shares outstanding is set out below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Opening number of equity shares/share capital	1,97,25,000	1,972.50	1,97,25,000	1,972.50
Add: Equity shares due to share split during the year	1,97,25,000	-	-	-
less: Shares buy backed during the year	-	-	-	-
Closing number of equity shares/share capital	3,94,50,000	1,972.50	1,97,25,000	1,972.50

During the year, the company has made the stock split as on 2 December 2022 from the face value of the ₹ 10 per share to ₹ 5 per Share and consequently the number of shares becomes to 3,94,50,000 from 1,97,25,000.

Details of shareholders holding more than 5% shares:

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	% of holding	No. of shares	% of holding
1. Sri G.S. Rao	2,68,90,500	68.16%	1,42,51,250	74.11%

Details of shares held by promoters

Particulars	As at 31 March 2023		As at 31 March 2022		% Change during the year
	Number of Shares	% of holding	Number of Shares	% of holding	
1. Sri G.S. Rao	2,68,90,500	68.16%	1,42,51,250	74.11%	(5.95%)
2. Likhitha Gaddipati	3,250	0.01%	1,625	0.01%	0.00%

Rights attached to equity shares

The company has only one class of equity shares having a face value of ₹5 /- each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in indian rupees. Payment of dividend is also made in foreign currency to shareholders outside india. The final dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, all preferential amounts, if any, shall be discharged by the company. The remaining assets of the company shall be distributed to the holders of equity shares in proportion to the number of shares held to the total equity shares outstanding as on that date.

Final dividends on equity shares are recorded as a liability on the date of their approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's board of directors. The details of dividends paid by the company are as follows:

Dividend Paid

Particulars	As at 31 March 2023	As at 31 March 2022
Dividend paid during the year	197.25	591.75
Dividend per share (Rs)	0.50	3.00

Note No.16: Other equity

Particulars	As at 31 March 2023	As at 31 March 2022
Retained earnings		
Opening balance	17,243.94	13,310.33
Add: Current year transfer	6,029.68	4,612.07
Initial public offer expenses	-	(86.72)
Dividend paid	(197.25)	(591.75)
Total	23,076.37	17,243.94

Particulars	As at 31 March 2023	As at 31 March 2022
General reserve		
Opening balance	17.56	17.56
Add: Current year transfer	-	-
Total	17.56	17.56
Items of Other comprehensive income		
Opening balance	40.43	39.98
Add: Current year transfer	(8.36)	0.45
Total	32.07	40.43
Total other equity	23,126.00	17,301.92

Note No.17: Non-current provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for gratuity	45.36	21.72
Total	45.36	21.72

Note No.18: Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Total outstanding dues of micro enterprises and small enterprises (MSME)	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (others)	2,820.44	905.60
Total	2,820.44	905.60

Trade payable ageing schedule

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Undisputed					
(a) Total outstanding dues of micro enterprises and small enterprises (MSME)	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (others)	2,820.44	-	-	-	2,820.44
Balance as at 31 March 2023	2,820.44	-	-	-	2,820.44
Undisputed					
(a) Total outstanding dues of micro enterprises and small enterprises (MSME)	-	-	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises (others)	905.60	-	-	-	905.60
Balance as at 31 March 2022	905.60	-	-	-	905.60

Note No.19: Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Liabilities for expenses	12.25	39.98
Deposits payable	675.49	0.82
Mobilisation advance payable	35.05	68.43
Dividend payable	2.91	2.67
Total	725.70	111.90

Note No.20: Other current liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory dues payable	268.77	495.09
Employee benefits payable	247.24	269.01
Remuneration payable	393.53	440.59
Total	909.54	1,204.68

Note No.21: Current provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for gratuity	4.35	3.92
Total	4.35	3.92

Note No.22: Current tax liability (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax liability (Net)		114.41
Total	-	114.41

Note No.23: Revenue from contract with customers

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Revenue from contract with customers	36,495.50	25,721.17
Total	36,495.50	25,721.17

Note No.24: Other income

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Recurring other income		
Not related to business activity		
Interest Income on bank deposits	379.71	327.45
Rental income	5.02	4.43
Profit on sale of property, plant and equipment	5.05	-
Net gain/(loss) on foreign exchange differences	-	7.29
Sales tax refund	23.85	15.73
Balances written back	9.85	-
Total	423.48	354.90

Note No.25: Cost of materials consumed

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Opening stock of raw material	102.38	38.64
Add: Purchases during the year	6,291.44	5,234.37
Less: Closing stock of raw material	208.94	102.38
Total	6,184.88	5,170.63

Note No.26: Construction expenses

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Sub contract expenses	15,766.86	9,385.84
Hire charges	1,586.70	1,451.62
Power and fuel	1,840.34	1,432.86
Rates and taxes	323.48	217.07
Repairs to: Plant and machinery	47.93	49.76
Repairs to: other assets	13.96	13.82
Other construction expenses	71.98	28.31
Total	19,651.26	12,579.27

Note No.27: Changes in inventories of work-in-progress

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Opening work-in-progress	4,558.51	2,211.89
Closing work-in-progress	6,729.79	4,558.51
Total	(2,171.28)	(2,346.62)

Note No.28: Employee Benefit Expenses

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Salaries and wages	3,015.44	2,795.37
Contribution to provident fund and other funds	272.48	255.87
Staff welfare expenses	118.54	203.93
Total	3,406.47	3,255.18

Note No.29: Finance Costs

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Interest on term loans	-	0.33
Interest on cash credit	0.21	0.70
Other borrowing costs	77.44	52.29
Total	77.66	53.32

Note No.30: Depreciation and Amortization Expense

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Depreciation on property plant and equipment	500.80	361.46
Depreciation on investment property	5.86	6.46
Amortization of intangible assets	0.55	0.73
Total	507.21	368.65

Note No.31: Other Expenses

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Rent	443.92	390.42
Insurance	129.41	80.46
Rates and taxes, excluding, taxes on income	47.19	6.00
Advertisement and business promotion expenses	56.63	1.57
Legal and professional charges	55.65	39.27
Auditors remuneration	10.00	9.00
Donation	2.35	0.01
Corporate social responsibility expenses	83.75	61.01
Communication expenses	4.53	3.04
Travelling and conveyance expenses	50.83	31.11
Bank charges	2.39	1.83
Director sitting fee	4.10	6.00
General expenses	226.12	218.96
Total	1,116.85	848.66

Note No.32: Revenue from Contract with Customers**Disaggregated revenue information**

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Revenue from contracts with customers		
Sale of services	36,495.50	25,721.17
Total	36,495.50	25,721.17
(a) Disaggregated revenue information		
Construction		
India	36,495.50	25,721.17
Outside India	-	-
	36,495.50	25,721.17
Traded		
India	-	-
Outside India	-	-
(b) Timing of revenue recognition		
Services rendered over a period of time	36,495.50	25,721.17
	36,495.50	25,721.17

Note No.33: Auditor's Remuneration

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Audit fees		
i) Statutory Audit Fees	7.00	6.00
ii) Internal Audit Fees	3.00	3.00
Total	10.00	9.00

Note No.34: Earnings per Share

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Profit attributable to equity Share holders	6,029.68	4,612.07
Profit attributable to equity Share holders for basic EPS		
Total number of equity shares outstanding at the end of the year	3,94,50,000	3,94,50,000
Weighted average number of equity shares outstanding during the year – Basic	3,94,50,000	3,94,50,000
Weighted average number of equity shares outstanding during the year – Diluted	3,94,50,000	3,94,50,000
Earnings per share of par value ₹ 5/- – Basic (₹)	15.28	11.69
Earnings per share of par value ₹ 5/- – Diluted (₹)	15.28	11.69

During the year, the company has made the stock split as on 2 December 2022 from the face value of the ₹10/- per share to ₹5/- per Share and consequently the number of shares becomes to 3,94,50,000 from 1,97,25,000. In a capitalisation or bonus issue or a share split, ordinary shares are issued to existing shareholders for no additional consideration. Therefore, the number of ordinary shares outstanding is increased without an increase in resources. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

Note No.35: Income taxes

The major components of income tax expense for the years ended 31 March 2023 and 31 March 2022 are:

Statement of profit and loss:

Profit or loss section

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Current income tax		
Current income tax charge	2,141.21	1,549.74
Deferred tax		
Relating to origination and reversal of temporary differences	(24.96)	(13.73)
Income tax expense reported in the statement of profit and loss	2,116.24	1,536.01

OCI section

Deferred tax related to items recognised in OCI during in the year

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
Net loss/(gain) on remeasurements of defined benefit plans	(11.17)	0.60
Deferred tax charged to OCI	2.81	(0.15)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:

Particulars	For the Year Ended 31 March 2023	For the Year Ended 31 March 2022
(a) Accounting profit before income tax	8,145.93	6,148.09
(b) Profit/(loss) before tax from a discontinued operation	-	-
(c) Accounting profit before income tax {(c)=(a+b)}	8,145.93	6,148.09
(d) Corporate tax rate as per Income Tax Act, 1961	25.17%	25.17%
(e) Tax on accounting profit {(e)=(c)*(d)}	2,050.33	1,547.47
(f) (i) Tax effect on CSR Expenses	21.08	15.36
(ii) Tax Effect on Items on which deferred tax not recognised	-	(36.31)
(iii) Tax effect due to differential rate of income tax	57.73	9.82
(iv) Tax expense of earlier years	(2.41)	-
(v) Tax effect on various other items	(10.49)	(0.33)
(g) Total effect of tax adjustments {(i) to (vi)}	65.91	(11.46)
(h) Income tax expense reported in the statement of profit and loss {(h)=(e)+(g)}	2,116.24	1,536.01
(i) Effective tax rates {(i)=(h)/(c)}	25.98%	24.98%

Deferred tax relates to the following:

Particulars	Balance Sheet	
	As on 31 March 2023	As on 31 March 2022
Deferred tax liabilities		
WDV differences of assets as per books and tax laws	26.17	(34.14)
	26.17	(34.14)
Deferred tax assets		
Post-employment benefits gratuity and leave encashment	(12.51)	(10.77)
Initial public offer expenses	(83.53)	-
Others	(2.81)	-
	(98.85)	(10.77)
Net deferred tax (assets)/liabilities	(72.68)	(44.90)

Reflected in the balance sheet as follows:

Particulars	As on 31 March 2023	As on 31 March 2022
Deferred tax assets (continuing operations)	(98.85)	(10.77)
Deferred tax liabilities:		
Continuing operations	26.17	(34.14)
Discontinuing operations	-	-
Deferred tax liabilities/(assets), net	(72.68)	(44.90)

Movement in deferred tax assets & Liabilities during the year end 31 March 2023 and 31 March 2022

Particulars	As on 1 April 2022	Recognised in the statement of profit and loss	Recognised in equity	As on 31 March 2023
Deferred tax assets/(liabilities)				
Property, plant and equipment	(34.14)	60.31	-	26.17
Current liabilities & provisions	(10.77)	(1.75)	-	(12.51)
Others	-	-	(86.34)	(86.34)
Net deferred tax assets/(liabilities)	(44.90)	58.56	(86.34)	(72.68)

Particulars	As on 1 April 2021	Recognised in the statement of profit and loss	Recognised in equity	As on 31 March 2022
Deferred tax assets/(liabilities)				
Property, plant and equipment	(14.23)	(19.91)	-	(34.14)
Current liabilities & provisions	(9.20)	(1.57)	-	(10.77)
Others	-	-	-	-
Net deferred tax assets/(liabilities)	(23.42)	(21.48)	-	(44.90)

Note No.36: Employee benefits

Particulars	As on 31 March 2023	As on 31 March 2022
Salaries, wages and bonus	3,015.44	2,795.37
Contribution to provident and other funds	272.48	255.87
Staff welfare expenses	118.54	203.93
Total	3,406.47	3,255.18

Notes:

- (i) The Code on Social Security, 2020 ("Code") relating to employee benefits received Presidential assent in September 2020. However, effective date and the final rules/interpretation have not yet been notified/issued. The Company is in the process of assessing the impact of the Code and will recognize the impact, if any, based on its effective date.
- (ii) The Company operates defined benefit plan i.e., gratuity for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The fund has the form of a trust and it is governed by the Board of Trustees who is responsible for the administration of the plan assets and for the definition of the investment strategy.

During the period the Company has recognized the following amounts in the Statement of profit and loss:

Particulars	As on 31 March 2023	As on 31 March 2022
Employers Contribution to Provident fund	179.14	167.16
Employers Contribution to Employee state insurance	32.32	65.40

Gratuity benefits

In accordance with applicable laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation and plan is unfunded.

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March 2023 and 2022 consist of the following:

Particulars	As on 31 March 2023	As on 31 March 2022
Current service cost	11.07	5.51
Interest on net defined benefit liability/(asset)	1.84	1.32
Expected Return on plan Assets	-	-
Components of defined benefit costs recognized in statement of profit or loss - (A)	12.91	6.83
Actuarial (gain) / loss on plan obligations	11.17	(0.60)
Components of defined benefit costs recognized in other comprehensive income - (B)	11.17	(0.60)
Total (A+B)	24.08	6.23

The amount included in the balance sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

Particulars	As on 31 March 2023	As on 31 March 2022
Present value of defined benefit obligation	49.71	25.64
Less: Fair value of plan assets	-	-
Net liability recognized in the balance sheet	49.71	25.64
Current portion of the above	4.35	3.92
Non-current portion of the above	45.36	21.72

Movement in the present value of the defined benefit obligation is as follows:

Particulars	As on 31 March 2023	As on 31 March 2022
Defined benefit obligations at the beginning of the year	25.64	19.41
Benefits Paid	-	-
Expenses Recognised in statement of Profit & Loss		
Current service cost	11.07	5.51
Interest on defined obligations	1.84	1.32
Expenses Recognised in statement of OCI		
Actuarial loss/(gain) due to change in assumptions	-	-
Actuarial loss/(gain) due to experience changes	11.17	(0.60)
Defined benefit obligations at the end of the year	49.71	25.64

Summary of Actuarial Assumptions

The actuarial assumptions used to determine benefit obligations in accounting for the Gratuity Plan are as follows:

Particulars	As on 31 March 2023	As on 31 March 2022
Discount rate	7.41%	7.18%
Rate of increase in compensation	4.00%	4.00%
Employee attrition Rate	3.00%	3.00%
Expected Average Remaining Service	24.00	24.10

Note No.37: Related party transactions

Related parties where control / Significant influence exists	Nature of Relationship
Mr. Srinivasa Rao Gaddipati	Key Managerial Personnel
Mrs. Likhitha Gaddipati	
Mr. Sudhanshu Shekhar	
Ms. Pallavi Yerragonda	
Mrs. Sri Lakshmi Gaddipati	Non Executive Director

Related parties where control / Significant influence exists	Nature of Relationship
Mr. Dheeraj Ram Chandra	Relative of Key Managerial Personnel
Mr. Kutumba Rao Gaddipati	Non Executive Director
Mr. Venkata Sesha Talpa Sai Munupalle	Independent Director
Mr. Sivasankara parameswara Kurup Pillai	Independent Director
Mr. Venkatram Arigapudi	Independent Director
Mrs. Jayashree Voruganty	Independent Director
CPM Likhitha	Joint Venture

Related party disclosures

Particulars	For Year ended 31 March 2023	For Year ended 31 March 2022
Rent Provided		
a) Mr. Srinivasa Rao Gaddipati	37.80	37.80
Remuneration Provided		
a) Mrs. Likhitha Gaddipati	18.00	9.00
b) Mr. Sudhanshu Shekhar	18.60	18.60
c) Ms. Pallavi Yerragonda	1.76	-
d) Triveni Banda-(Ex CS)	2.27	1.33
e) Mr. Dheeraj Ram Chandra	18.00	-
Sitting Fees Provided		
a) Mr. Venkata Sesha Talpa Sai Munupalle	1.10	1.70
b) Mr. Sivasankara parameswara Kurup Pillai	1.70	2.30
c) Mr. Venkatram Arigapudi	0.70	1.10
d) Mrs. Jayashree Voruganty	0.60	0.90

Transactions with Subsidiaries

a) CPM Likhitha Consortium (Investment made)	361.42	17.71
b) CPM Likhitha Consortium (Loans given)	579.61	166.93
c) CPM Likhitha Consortium (Sale of Services)	5,533.21	1,052.39

Outstanding amounts for the year ended

Particulars	As at 31 March 2023	As at 31 March 2022
Rent Payable		
a) Mr. Srinivasa Rao Gaddipati	5.67	-
Remuneration Payable		
a) Mr. Srinivasa Rao Gaddipati	283.16	320.22
b) Mrs. Sri Lakshmi Gaddipati	110.37	120.37
c) Mrs. Likhitha Gaddipati	0.06	1.17
d) Mr. Sudhanshu Shekhar	1.48	1.55
e) Ms. Pallavi Yerragonda	0.42	-
f) Triveni Banda-(Ex CS)	-	0.37
g) Mr. Dheeraj Ram Chandra	0.06	1.17
Sitting Fees Payable		
a) Mr. Venkata Sesha Talpa Sai Munupalle	-	0.54
b) Mr. Sivasankara parameswara Kurup Pillai	0.17	0.31
c) Mr. Venkatram Arigapudi	-	0.36
d) Mrs. Jayashree Voruganty	0.09	0.36

Transactions with Subsidiaries

a) CPM Likhitha Consortium (Investment)	379.14	17.71
b) CPM Likhitha Consortium (Advance)	764.42	184.81
c) CPM Likhitha Consortium (Debtors)	-	1,210.25

Note No.38: Financial instruments and fair value

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

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Financial instruments by category

The carrying value and fair value of financial instruments as of 31 March 2023 and 2022, respectively were as follows:

	As at 31 March 2023		As of 31 March 2022	
	Total Carrying Value	Total Fair Value	Total Carrying Value	Total Fair Value
Assets				
Cash and cash equivalents including the other bank balances	3,298.57	3,298.57	2,290.21	2,290.21
Investments	5,276.80	5,276.80	3,924.40	3,924.40
Trade receivables	9,005.47	9,005.47	6,763.22	6,763.22
Loans	336.96	336.96	272.51	272.51
Other financial assets	1,863.55	1,863.55	1,530.31	1,530.31
Total	19,781.36	19,781.36	14,780.66	14,780.66
Liabilities				
Trade payables	2,820.44	2,820.44	905.60	905.60
Other financial liabilities	725.70	725.70	111.90	111.90
Total	3,546.15	3,546.15	1,017.50	1,017.50

There has been no transfers between levels during the year. The fair values of derivatives are based on derived mark-to-market values. The management has assessed that the carrying values of financial assets and financial liabilities for which fair values are disclosed, reasonably approximate their fair values because these instruments have short-term maturities.

Note No.39: Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments, trade and other receivables, cash and cash equivalents, bank balances, security deposits and derivatives that are out of regular business operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's risk management is carried out by a treasury department under policies approved by the Board of Directors. The Board of Directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument that will fluctuate because of changes in market prices. Market risk comprises three types of risk i.e. interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, derivatives financial instruments and trade payables.

i. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency borrowings and trade payables. The summary of derivative instruments and unhedged foreign currency exposure is as below:

Un-hedged foreign currency exposure as at the reporting date:

All amounts are in Dollars (\$)

Particulars	As at 31 March 2023
Advance to suppliers	19,660.85

Particulars	As at 31 March 2022
Advance to suppliers	620.44

The following tables demonstrate the sensitivity to a reasonably possible change in foreign exchange rates, with all other variables held constant and without considering impact of derivatives not designated as hedges:

(All Amounts are in Indian Rupees, Lakhs)

Particulars	As at 31 March 2023		As at 31 March 2022	
	5% increase	5% decrease	5% increase	5% decrease
Impact on profit before tax	(0.80)	0.80	(0.02)	0.02

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company's exposure to credit risk arises majorly from trade and other receivables. Other financial assets like security deposits and bank deposits are mostly with government authorities and scheduled banks and hence, the Company does not expect any credit risk with respect to these financial assets.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Details of financial assets – not due, past due and impaired

None of the Company's cash equivalents, including term deposits with banks, were past due or impaired as of 31 March 2023. The Company's credit period for trade and other receivables payable by its customers generally ranges from 30-60 days.

The ageing of trade and other receivables is given below:

Particulars	As at 31 March 2023	As at 31 March 2022
Neither past due nor impaired	-	-
Past due but not impaired		
Less than 365 days	8,842.48	6,763.22
More than 365 days	162.99	-
	9,005.47	6,763.22
Less : Allowance for credit losses	-	-
Total	9,005.47	6,763.22

(c) Liquidity risk

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements at all times. The Company relies on a mix of borrowings and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium/long term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

The table below summarises the maturity profile of the Company's financial liabilities on undiscounted basis:

Maturities	Upto 1 year	1-3 Years	3-5 Years	Above 5 Years	Total
As at 31 March 2023					
Trade payables	2,820.44	-	-	-	2,820.44
Other financial liabilities	725.70	-	-	-	725.70
Total	3,546.15	-	-	-	3,546.15
As at 31 March 2022					
Trade payables	905.60	-	-	-	905.60
Other financial liabilities	111.90	-	-	-	111.90
Total	1,017.50	-	-	-	1,017.50

Note No.40: Details of CSR expenditure

Details of Corporate Social Responsibility expenditure in accordance with section 135 of the Companies Act, 2013:

Particulars	As at 31 March 2023	As at 31 March 2022
i) Amount required to be spent by the company during the year	83.75	61.00
ii) Amount required to be set off for the financial year, if any	-	-
iii) Total CSR obligation for the financial year	83.75	61.00
iv) Amount of expenditure incurred	83.75	61.00
(a) Construction / acquisition of any asset	-	-
(b) On purposes other than (a) above	83.75	61.00
v) Shortfall / (Pre spent) at the end of the year ((iii)-(iv))*	-	-
vi) Total of previous years shortfall	-	-
vii) Reason for shortfall	N.A	N.A
viii) Nature of CSR activities	Restoration of Building, Eradicating Hunger, Promoting Education and Promoting Healthcare	
ix) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	N.A	
x) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	N.A	

Note No.41: Ratio Analysis

Ratio	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	Variance (in %)
Current ratio	Current Assets	Current Liabilities	5.62	7.99	(29.68%) ¹
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.18	0.12	49.59% ²

Ratio	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	Variance (in %)
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.27	0.27	0.66%
Inventory Turnover ratio	Cost of goods sold	Average Inventory	4.08	4.46	(8.51%)
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	4.63	4.83	(4.16%)
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	13.87	32.82	(57.75%) ³
Net Capital Turnover Ratio	Revenue	Working capital	1.77	1.59	11.43%
Net Profit ratio	Net Profit	Revenue	0.16	0.18	(9.27%)
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	0.36	0.36	1.25%
Return on Investment	Income generated from investments	Time weighted average investments	0.06	0.08	(20.17%)

Reasons for Variance

- 1) Increase in trade payables during the current financial year.
- 2) Increase in shareholders equity during the current year and also decrease in debt for the current year.
- 3) Increase in net credit purchases for the current financial year.

Note No.42: Other statutory information

- (i) The group does not have any Benami property, where any proceeding has been initiated or pending against the group for holding any Benami property.
- (ii) The group does not have any transactions with struck off companies.
- (iii) The group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The group has not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note No.43: Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

Note No.44: Commitments and contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Contingent Liabilities		
a) Claims against the company / disputed liabilities not acknowledged as debts		
Income Tax	527.54	527.54
Goods and Service Tax (GST)	27.54	27.54
b) Guarantees		
Bank Guarantee	8,497.57	7,033.65
	9,052.65	7,588.73

45 Previous period/year figures have been recompanied/re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING (AGM) OF LIKHITHA INFRASTRUCTURE LIMITED WILL BE HELD ON WEDNESDAY, SEPTEMBER 27, 2023, AT 12.00 P.M. THROUGH VIDEO CONFERENCING ("VC") OR OTHER AUDIO-VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider, approve, and adopt:

- a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon; and
- b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023, together with the Reports of the Auditors thereon.

2. To declare a dividend of ₹1.50/- (i.e., @ 30%) per Equity Share of face value ₹ 5/- each for the financial year ended March 31, 2023.

"RESOLVED THAT in terms of the recommendation of the Board of Directors of the Company, the approval of the members of the Company be and is hereby granted for payment of dividend of ₹ 1.50/- (i.e., @ 30%) per Equity Share on 3,94,50,000 Equity Shares of ₹5/- each fully paid for the financial year ended March 31, 2023."

3. Appointment of Mrs. Sri Lakshmi Gaddipati as Director

To appoint a director in place of Mrs. Sri Lakshmi Gaddipati (DIN: 02250598) who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

4. Re-appointment of Mr. Venkatram Arigapudi (DIN: 08939773) as an Independent Director:

*To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to the provisions of Section(s) 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and pursuant to regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association, on approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent and approval of the members of the Company be and is hereby accorded for reappointment of Mr. Venkatram Arigapudi (DIN: 08939773), as an Independent Director of the Company, not liable to retire by rotation for the second term of three years and six months with effect from October 31, 2023 to April 30, 2027 (both days inclusive).

RESOLVED FURTHER THAT Mr. Srinivasa Rao Gaddipati (DIN: 01710775), Managing Director and Ms. Pallavi Yerragonda, Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

5. Re-appointment of Mr. Sivasankara Parameswara Kurup Pillai (DIN: 08401552) as an Independent Director:

*To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to the provisions of Section(s) 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification

of Directors) Rules, 2014 read with Schedule IV to the Act and pursuant to regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association on approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent and approval of the members of the Company be and is hereby accorded for reappointment of Mr. Sivasankara Parameswara Kurup Pillai (DIN: 08401552), as an Independent Director of the Company, not liable to retire by rotation for the second term of three years with effect from March 28, 2024 to March 27, 2027 (both days inclusive).

RESOLVED FURTHER THAT Mr. Srinivasa Rao Gaddipati (DIN: 01710775), Managing Director and Ms. Pallavi Yerragonda, Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

6. Re-appointment of Mr. Venkata Sesha Talpa Sai Munupalle (DIN: 08388354) as an Independent Director:

*To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to the provisions of Section(s) 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and pursuant to regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association on approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent and approval of the members of the Company be and is hereby accorded for reappointment of Mr. Venkata Sesha Talpa Sai Munupalle (DIN: 08388354), as an Independent Director of the Company, not liable to retire by rotation for the second term of three years with effect from March 28, 2024 to March 27, 2027 (both days inclusive).

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and other applicable provisions, if any, of the Companies Act, 2013, on approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent of the members be and is hereby accorded for continuation of the directorship of Mr. Venkata Sesha Talpa Sai Munupalle (DIN: 08388354) as a non-executive independent director of the company beyond the age of 75 years till the expiry of his current term on March 27, 2027.

RESOLVED FURTHER THAT Mr. Srinivasa Rao Gaddipati (DIN: 01710775), Managing Director and Ms. Pallavi Yerragonda, Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

7. Re-appointment of Ms. Jayashree Voruganty (DIN: 09137732) as an Independent Director:

*To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to the provisions of Section(s) 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act and pursuant to regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association, on approval and recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the consent and approval of the members of the Company be and is hereby accorded for reappointment of Ms. Jayashree Voruganty (DIN: 09137732), as an Independent Director of the Company, not liable to retire by rotation for the second

term of three years with effect from April 10, 2024 to April 09, 2027 (both days inclusive).

RESOLVED FURTHER THAT Mr. Srinivasa Rao Gaddipati (DIN: 01710775), Managing Director and Ms. Pallavi Yerragonda, Company Secretary and Compliance Officer of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

On behalf of the Board of Directors
For **Likhitha Infrastructure Limited**

Sd/-
Pallavi Yerragonda
Company Secretary and Compliance Officer
M. No. A70447

Place: Hyderabad
Date : August 09, 2023

NOTES

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020 and 10/2022 dated December 28, 2022 has ("MCA Circulars") allowed Companies to conduct AGM through Video Conference ("VC") or Other Audio-Visual Means ("OAVM") upto September 30, 2023, without physical presence of members at a common venue and the Securities Exchange Board of India ("SEBI") vide its Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023 ("SEBI Circular") has provided certain relaxations from compliance with listing regulations (Hereinafter collectively referred as "Circulars"). In compliance with these circulars, Provisions of the Companies Act, 2013 ("Act") and the listing regulations, the 24th AGM of the Company is being conducted through VC/OAVM facility and the venue of the AGM shall be deemed to be the registered office of the Company.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since this AGM is being proposed to be held pursuant to the said MCA Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form and the attendance slip are not attached to this Notice.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business set out above is annexed hereto and forms part of the Notice.
4. Register of Members and Transfer Books will be closed from **September 21, 2023**, to **September 27, 2023**, (both days inclusive) for determining the names of the Members eligible for dividend, if approved, on equity shares. In respect of shares held in dematerialized mode, the dividend will be paid on the basis of particulars of beneficial ownership furnished by the Depositories for this purpose.
5. The Board of Directors of the Company at its meeting held on **Thursday, May 18, 2023**, has recommended a final dividend @30% i.e., ₹1.50/- per Equity Share on 3,94,50,000 Equity Shares of ₹5/- each. The dividend, if declared at the Annual General Meeting, will be paid within a period of 30 days from the date of declaration to those members whose names appear on the Register of Members as on **Wednesday, September 20, 2023**.

Members may please note that the dividend warrants are payable at par at the designated branches of the bank printed on reverse of the dividend warrant for an initial period of 3 months only. Thereafter, the dividend warrant on revalidation is payable only at limited centres / branches. The members are

therefore advised to encash dividend warrants within the initial validity period.

The dividend will be transferred to members' bank accounts registered with depository participants with whom they are maintaining their demat accounts through NACH mode.

Shareholders may kindly note that their bank account details as furnished by their depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the depositories and the Company will not entertain any direct request from such shareholders for deletion or change in such bank details. Shareholders are requested to immediately intimate any change in their address or bank mandates to their depository participants with whom their demat accounts.

For members who have not updated their bank account details, dividend warrants / demand drafts will be sent to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.

The members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 01, 2020, shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number (PAN)	10%* or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India

*As per the Finance Act, 2021, Section 206AB has been inserted effective July 01, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section.

However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during FY 2022-23 does not exceed ₹5,000, and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%** (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the shareholders if they are more beneficial to them. For this purpose, i.e., to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following documents:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under Rule 37BC of the Income-Tax Rules, 1962.
- Copy of the Tax Residency Certificate for financial year 2022-23 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholders.

- Self-declaration in Form 10F.
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the shareholders.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act at the rate of 20%** (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

** As per the Finance Act, 2021, Section 206AB has been inserted effective July 01, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid section. However, in case a non-resident shareholder or a non-resident Foreign Portfolio Investor (FPI) / Foreign Institutional Investor (FII), higher rate of tax as mentioned in Section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

Shareholders may write to bsshyd.bd@bigshareonline.com for any clarifications on this subject. Shareholders can also check their tax credit in Form 26AS from the e-filing account at <https://www.incometax.gov.in/iec/foportal> or "View Your Tax Credit" on <https://www.tdscpc.gov.in>.

6. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and kindly give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email ID, ECS mandate etc.
7. As per Regulation 40 of the Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019. Even the transmission or transposition of securities held in physical or dematerialised form shall be affected only in dematerialised form with effect from January 24, 2022. Your Company does not have any physical shares.

All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.

8. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and are requested to send the relevant share certificates to the RTA / Company.
9. Corporate members intending to allow their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
10. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7(seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended from time-to-time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. (However, the Company has declared a dividend from the FY 2020-21 onwards therefore the above provisions will not be applicable to our Company).

In view of this, the Company requests all the members to encash/claim their respective dividend

within the prescribed period. The details of the unpaid/unclaimed amounts lying with the Company are available on the website of the Company at <http://www.likhitha.co.in/investors.html> and the said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link www.iepf.gov.in. The details of unpaid and unclaimed amounts lying with the Company as on March 31, 2023, shall be updated in due course. Please refer to the Boards Report forming part of the Annual Report for further details with respect to unclaimed dividends and transfer of dividends/shares to the IEPF.

11. Members may also note that the notice of the 24th Annual General Meeting is available on the Company's website at www.likhitha.co.in. All documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Companies Act, 2013, shall be open for inspection by the Members by writing an e-mail to the Company at cs@likhitha.in.

In compliance with the aforesaid Circulars, Notice of the AGM along with Annual Report 2022-23 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report for the FY 2022-23 will also be available on the Company's website at www.likhitha.co.in, on the website of the Stock Exchanges i.e., BSE Limited, and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.

To support 'Green Initiative' of the Government, members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent / their Depository Participants in respect of shares held in physical/electronic mode, respectively.

12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to the Notice.
13. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.
14. Retirement of Directors by rotation: Mrs. Sri Lakshmi Gaddipati, Non-Executive Director of the Company, retire by rotation at the ensuing Annual General Meeting and, being eligible, offer herself for re-appointment.

INSTRUCTIONS FOR E-VOTING

CDSL e-Voting System – For e-voting during AGM

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
2. The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on a first come first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the

Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.likhitha.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.

INSTRUCTIONS TO SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER

- i. The voting period begins on **Sunday, September 24, 2023, at 09:00 A.M.** and ends on **Tuesday, September 26, 2023, at 05:00 P.M.** During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., **Wednesday, September 20, 2023**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The Board, of Directors have appointed M/s. VCAN & Associates, Practising Company Secretaries, Hyderabad, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.
- iii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iv. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Option 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- i. In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020**, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode CDSL/NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. The option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on login icon and select New System Myeasi Tab.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. By clicking the evoting option, the user will be able to see the e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration.</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered mobile and email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see the e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.</p> <p>If the user is not registered for IDeAS e-Services, the option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.</p>

Type of Shareholders	Login Method
	Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on the e-Voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above-mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through depository i.e., CDSL and NSDL

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at tollfree no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020990 and 1800 22 44 30

Option 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- i. Login method for e-Voting and joining virtual meetings for physical shareholders and shareholders other than individual holding in Demat form:

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on "Shareholders" module.

Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the

Company.

- 1) Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

- 2) If you are a first-time user, follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member ID / folio number in the Dividend Bank details field.

- ii. After entering these details appropriately, click on "SUBMIT" tab.
- iii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein, they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- iv. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- v. Click on the EVSN for the relevant Company, i.e., LIL, on which you choose to vote.
- vi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- vii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- viii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- ix. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- x. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xi. If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xii. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

xiii. Additional Facility for Non-Individual Shareholders and Custodians – For Remote Voting only.

Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.

It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Alternatively, non-individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@vcancs.com and cs@likhitha.in, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER

1. The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days (i.e., **September 20, 2023, 5.00 pm**) prior to meeting mentioning their name, demat account number / folio number, email ID, mobile number at (company email ID: cs@likhitha.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days (i.e., **September 20, 2023, 5.00 pm**) prior to the meeting mentioning their name, demat account number/folio number, email ID, mobile number at (company email ID : cs@likhitha.in). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through AVC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES

1. For Demat shareholders - Please update your email ID and mobile no. with your respective Depository Participant (DP)
2. For Individual Demat shareholders – Please update your email ID and mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting and joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM and e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

GENERAL INSTRUCTIONS

The Scrutinizer shall, after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and voting during the AGM in the presence of at least two witnesses not in the employment of the Company and will submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same. The results will be announced within the time stipulated under the applicable laws.

The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.likhitha.co.in and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges. The Company shall simultaneously intimate the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

**On behalf of the Board of Directors
for Likhitha Infrastructure Limited**

Sd/-

Pallavi Yerragonda

Company Secretary and Compliance Officer
M. No. A70447

Place: Hyderabad

Date : August 09, 2023

EXPLANATORY STATEMENT

[Pursuant to Sections 102 and 110 of the Companies Act, 2013]

The following Statement sets out all material facts relating to the businesses mentioned under Item Nos. 4,5,6 and 7 of the accompanying Notice:

Item No. 4

Re-appointment of Mr. Venkatram Arigapudi (DIN: 08939773) as an Independent Director

Mr. Venkatram Arigapudi (DIN: 08939773) is currently an Independent Director of the Company and Chairperson of the Nomination and Remuneration Committee.

Mr. Venkatram Arigapudi was appointed as an Independent Director of the Company by the Members at the 22nd Annual General Meeting of the Company held on Saturday, September 04, 2021 for a period of 3 (three) consecutive years commencing from October 31, 2020, to October 30, 2023 (both days inclusive) and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on August 09, 2023, proposed the re-appointment of Mr. Venkatram Arigapudi as an Independent Director of the Company for a second term of 3 (three) years and 06 months commencing from October 31, 2023, up to April 30, 2027 (both days inclusive), not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Mr. Venkatram Arigapudi has a strong level of expertise in the fields of:

- Developing strategies and concepts
- Business Development
- Mentoring and training the budding executives
- Building team and creating self-belief in achieving the set tasks.
- Coordination with various agencies and trouble shooting.
- Good public relations with the concerned.

The NRC taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Mr. Venkatram Arigapudi qualifications and the rich experience of over two decades in the above mentioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Mr. Venkatram Arigapudi continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

The Company has received a declaration from Mr. Venkatram Arigapudi confirming that he continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Mr. Venkatram Arigapudi has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Venkatram Arigapudi has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Further, Mr. Venkatram Arigapudi has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Mr. Venkatram Arigapudi has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, Mr. Venkatram Arigapudi fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that he is independent of the Management. The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at <https://likhitha.co.in/> and would also be made available for inspection to the Members of the Company upto Wednesday, September 27, 2023, by sending a request from their registered email address to the Company at cs@likhitha.in along with their Name, DP ID & Client ID/Folio No.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations, the re-appointment of Mr. Venkatram Arigapudi as an Independent Director is now placed for the approval of the Members by a Special Resolution.

The Board commends the Special Resolution set out in Item No. 4 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Mr. Venkatram Arigapudi and his relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

Item No. 5

Re-appointment of Mr. Sivasankara Parameswara Kurup Pillai (DIN: 08401552) as an Independent Director

Mr. Sivasankara Parameswara Kurup Pillai (DIN: 08401552) is currently an Independent Director of the Company, Chairperson of the Stakeholders Relationship Committee and member of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee.

Mr. Sivasankara Parameswara Kurup Pillai was appointed as an Independent Director of the Company by the Members at the 20th Annual General Meeting of the Company held on Monday, September 30, 2019 for a period of 5 (five) consecutive years commencing from March 28, 2019 to March 27, 2024 (both days inclusive) and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on August 09, 2023, proposed the re-appointment of Mr. Sivasankara Parameswara Kurup Pillai as an Independent Director of the Company for a second term of 3 (three) consecutive years commencing from March 28, 2024 up to March 27, 2027 (both days inclusive), not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Mr. Sivasankara Parameswara Kurup Pillai has obtained Pre-degree from Kerala University (NSS College Pandalam), AMIE MechIE in the year 1974 – Proved by HRDI Ministry, Government of India. He has worked with Simon Carves (India) Limited, as a trainee from 1977 till 1980. In the year 1981, he joined Newton Engineering and Construction Co. Private Ltd. and served in various capacities. He worked as Chief-Executive with Ario Brothers (now Ario Engineers Private Ltd.) from 1997 to 2003. He has also served as

a Vice-President with Chemie-Tech Private Ltd. and has handled all activities of design & construction of Fuel Oil Refinery Plant at Bahrain. He is a Freelancer in construction of pipeline systems and related field from 2006 to till date. He has executed more than 15 projects in different parts of India and involved in construction of 1000+ kms of Carbon Steel pipeline of various diameter, 3500+ Kms of MPPE pipeline along with pumping stations, terminal stations, etc., at Gujarat, Andhra Pradesh, Uttar Pradesh, Delhi, and Madhya Pradesh.

The NRC taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Mr. Sivasankara Parameswara Kurup Pillai qualifications and the rich experience of over three decades in the abovementioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Mr. Sivasankara Parameswara Kurup Pillai continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

The Company has received a declaration from Mr. Sivasankara Parameswara Kurup Pillai confirming that he continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Mr. Sivasankara Parameswara Kurup Pillai has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Sivasankara Parameswara Kurup Pillai has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Further, Mr. Sivasankara Parameswara Kurup Pillai has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Mr. Sivasankara Parameswara Kurup Pillai has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, Mr. Sivasankara Parameswara Kurup Pillai fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that he is independent of the Management. The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at <https://likhitha.co.in/> and would also be made available for inspection to the Members of the Company upto Wednesday, September 27, 2023, by sending a request from their registered email address to the Company at cs@likhitha.in along with their Name, DP ID & Client ID/Folio No.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations, the re-appointment of Mr. Sivasankara Parameswara Kurup Pillai as an Independent Director is now placed for the approval of the Members by a Special Resolution.

The Board commends the Special Resolution set out in Item No. 5 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Mr. Sivasankara Parameswara Kurup Pillai and his relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

Item No. 6

Re-appointment of Mr. Venkata Sesha Talpa Sai Munupalle (DIN: 08388354) as an Independent Director

Mr. Venkata Sesha Talpa Sai Munupalle (DIN: 08388354) is currently an Independent Director of the Company, Chairperson of the Audit Committee and a member of nomination and remuneration committee.

Mr. Venkata Sesha Talpa Sai Munupalle was appointed as an Independent Director of the Company by the Members at the 20th Annual General Meeting of the Company held on Monday, September 30, 2019 for a period of 5 (five) consecutive years commencing from March 28, 2019 to March 27, 2024 (both days inclusive) and is eligible for re-appointment for a second term on the Board of the Company.

As per Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, for continuing the directorship of any person as a non-executive director who has attained the age of 75 years, a special resolution need to be passed by the members at General Body Meeting.

Based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on August 09, 2023, proposed the re-appointment of Mr. Venkata Sesha Talpa Sai Munupalle as an Independent Director of the Company for a second term of 3 (three) consecutive years commencing from March 28, 2024 up to March 27, 2027 (both days inclusive), not liable to retire by rotation, for the approval of the Members by way of a Special Resolution and continuation of his tenure even after attaining the age of seventy five years on June 09, 2025.

Mr. Venkata Sesha Talpa Sai Munupalle is a fellow member of Institute of Chartered Accountants of India (ICAI). He presently holds Certificate of Practice as a Chartered Accountant and has been practicing since August 2008. He worked for 33 years in Public Sector and Post retirement he was associated for Chartered Accountancy Firms from the year 2008 for Internal, Statutory Audits and Special Assignments such as Fee Fixation for MBA Colleges and Audit U/s 143(2) of IT Act and etc.

The NRC taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Mr. Venkata Sesha Talpa Sai Munupalle qualifications and the rich experience of over three decades in the abovementioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Mr. Venkata Sesha Talpa Sai Munupalle continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in his role as an Independent Director of the Company and his continued association would be of immense benefit to the Company.

The Company has received a declaration from Mr. Venkata Sesha Talpa Sai Munupalle confirming that he continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Mr. Venkata Sesha Talpa Sai Munupalle has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Venkata Sesha Talpa Sai Munupalle has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock

Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Further, Mr. Venkata Sesha Talpa Sai Munupalle has confirmed that he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Mr. Venkata Sesha Talpa Sai Munupalle has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, Mr. Venkata Sesha Talpa Sai Munupalle fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that he is independent of the Management. The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at <https://likhitha.co.in/> and would also be made available for inspection to the Members of the Company upto Wednesday, September 27, 2023, by sending a request from their registered email address to the Company at cs@likhitha.in along with their Name, DP ID & Client ID/Folio No.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations, the re-appointment of Mr. Venkata Sesha Talpa Sai Munupalle as an Independent Director is now placed for the approval of the Members by a Special Resolution.

The Board commends the Special Resolution set out in Item No. 6 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Mr. Venkata Sesha Talpa Sai Munupalle and his relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

Item No. 7

Re-appointment of Ms. Jayashree Voruganty (DIN: 09137732) as an Independent Director

Ms. Jayashree Voruganty (DIN: 09137732) is currently an Independent Director of the Company and a Member of the Risk Management Committee.

Ms. Jayashree Voruganty was appointed as an Independent Director of the Company by the Members at the 22nd Annual General Meeting of the Company held on Saturday, September 04, 2021 for a period of 3 (three) consecutive years commencing from April 10, 2021, to April 09, 2024 (both days inclusive) and is eligible for re-appointment for a second term on the Board of the Company.

Based on the recommendation of the Nomination & Remuneration Committee ('NRC'), the Board of Directors at its meeting held on August 09, 2023, proposed the re-appointment of Ms. Jayashree Voruganty as an Independent Director of the Company for a second term of 3 (three) consecutive years commencing from April 10, 2024, up to April 09, 2027 (both days inclusive), not liable to retire by rotation, for the approval of the Members by way of a Special Resolution.

Ms. Jayashree Voruganty, aged 63 years, is a qualified member of Institute of Chartered Accountants of India, having the profession as Chartered Accountant in Practice dealing with Government Audits, GST matters, taxation, and accountancy matters. She has over 20 years of experience in the field of Finance and over 23 years of Post Qualification Experience as a Chartered Accountant. She has completed the Post Graduate Diploma in Management from IIM- Ahmedabad and finished M.B.A from Xavier School of Management (XLRI).

Ms. Jayashree Voruganty has strong level of expertise in the fields of:

- Budgeting-review of the performance month on month.
- Accounting and finalization of accounts.
- Implemented (Functional Expertise) Oracle ERP 11 in the Organization.
- System Controls functions of Finance.
- External Audit system.
- Internal Audit System.

The NRC taking into consideration the skills, expertise and competencies required for the Board in the context of the business and sectors of the Company and based on the performance evaluation, concluded and recommended to the Board that Ms. Jayashree Voruganty qualifications and the rich experience of over two decades in the above mentioned areas meets the skills and capabilities required for the role of Independent Director of the Company. The Board is of the opinion that Ms. Jayashree Voruganty continues to possess the identified core skills, expertise and competencies fundamental for effective functioning in her role as an Independent Director of the Company and her continued association would be of immense benefit to the Company.

The Company has received a declaration from Ms. Jayashree Voruganty confirming that she continues to meet the criteria of independence as prescribed under Section 149(6) of the Act, read with the rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Ms. Jayashree Voruganty has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. Ms. Jayashree Voruganty has also confirmed that she is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars dated June 20, 2018 issued by BSE Limited and the National Stock Exchange of India Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

Further, Ms. Jayashree Voruganty has confirmed that she is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director in terms of Section 152 of the Act, subject to re-appointment by the Members. Ms. Jayashree Voruganty has also confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs ('IICA').

In the opinion of the Board, Ms. Jayashree Voruganty fulfils the conditions specified in the Act, rules thereunder and the SEBI Listing Regulations for re-appointment as an Independent Director and that she is independent of the Management. The terms and conditions of the appointment of Independent Directors is uploaded on the website of the Company at <https://likhitha.co.in/> and would also be made available for inspection to the Members of the Company upto Wednesday, September 27, 2023, by sending a request from their registered email address to the Company at cs@likhitha.in along with their Name, DP ID & Client ID/Folio No.

In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable provisions of the Act and SEBI Listing Regulations, the re-appointment of Ms. Jayashree Voruganty as an Independent Director is now placed for the approval of the Members by a Special Resolution.

The Board commends the Special Resolution set out in Item No. 7 of the accompanying Notice for approval of the Members.

None of the Directors or Key Managerial Personnel ('KMP') of the Company or their respective relatives, except Ms. Jayashree Voruganty and her relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the accompanying Notice.

Disclosures as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are annexed to this Notice.

ANNEXURE TO THE NOTICE FOR AGM

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting to be held on September 27, 2023.

(In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards issued by ICSI).

Particulars	Item No. 3	Item No. 4	Item No. 5	Item No. 6	Item No. 7
Name	Mrs. Sri Lakshmi Gaddipati	Mr. Venkatram Arigapudi	Mr. Sivasankara Parameswara Kurup Pillai	Mr. Venkata Sesa Talpa Sai Munupalle	Ms. Jayashree Voruganty
DIN	02250598	08939773	08401552	08388354	09137732
Date of first Appointment	August 06, 1998	October 31, 2020	March 28, 2019	March 28, 2019	April 10, 2021
Designation	Non-Executive Non-Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director
Date of Birth and Age	August 01, 1968 (55 years)	July 28, 1955 (68 Years)	October 06, 1952 (70 Years)	June 10, 1950 (73 Years)	August 18, 1960 (63 Years)
Qualifications	Board of Secondary Education, Andhra Pradesh	B.sc (Agriculture)	Pre-degree from Kerala University (NSS College Pandalam), AMIE MechIE in the year 1974 – Proved by HRDI Ministry, Government of India.	A qualified member of Institute of Chartered Accountants of India (ICAI)	1. Diploma in Management 2. A qualified member of Institute of Chartered Accountants of India (ICAI)
Expertise in specific functional Areas	Overall business administration of our Company.	Developing strategies and concepts, Business Development, Mentoring and training the budding executives, Building team and creating self-belief in achieving the set tasks, Coordination with various agencies and trouble shooting and good public relations with the concerned.	Expert in chemical and petrochemical plants, Cross-country pipelines, tank farms and refineries, monitors the techno-commercial aspects and wide-ranging knowledge in Oil & Gas pipeline projects and involves in construction of carbon steel and MDPE pipelines along with terminal stations.	Wide-ranging knowledge and experience in Accounting, Finance, Budgeting, Taxation and Audit.	Budgeting- review of the performance month on month, accounting and finalization of accounts, implemented. (Functional Expertise) Oracle ERP 11 in the Organization, system controls functions of Finance, External Audit system and Internal Audit System
Terms and conditions of appointment/re-appointment and details of last salary drawn	Retiring by rotation, being eligible offers herself for reappointment. Last drawn salary- Not applicable.	As set forth in the resolution	As set forth in the resolution	As set forth in the resolution	As set forth in the resolution

Particulars	Item No. 3	Item No. 4	Item No. 5	Item No. 6	Item No. 7
Number of meetings of the Board attended During the year	06	05	06	07	05
Disclosure of relationship between directors inter-se	Spouse of Mr. Srinivasa Rao Gaddipati, Managing Director and Mother of Mrs. Likhitha Gaddipati, Whole Time Director and Chief Financial Officer	No relationship with any director	No relationship with any director	No relationship with any director	No relationship with any director
Shareholding as on 31.03.2023	7,31,250	Nil	Nil	Nil	Nil
Directorships held in other Companies	01	Nil	Nil	Nil	Nil
Listed Entities from which she has resigned as Director in past 3 Years	Nil	Nil	Nil	Nil	Nil
Memberships/ Chairmanships of Committees of other Companies	Nil	Nil	Nil	Nil	Nil

On behalf of the Board of Directors

For **Likhitha Infrastructure Limited**

Sd/-

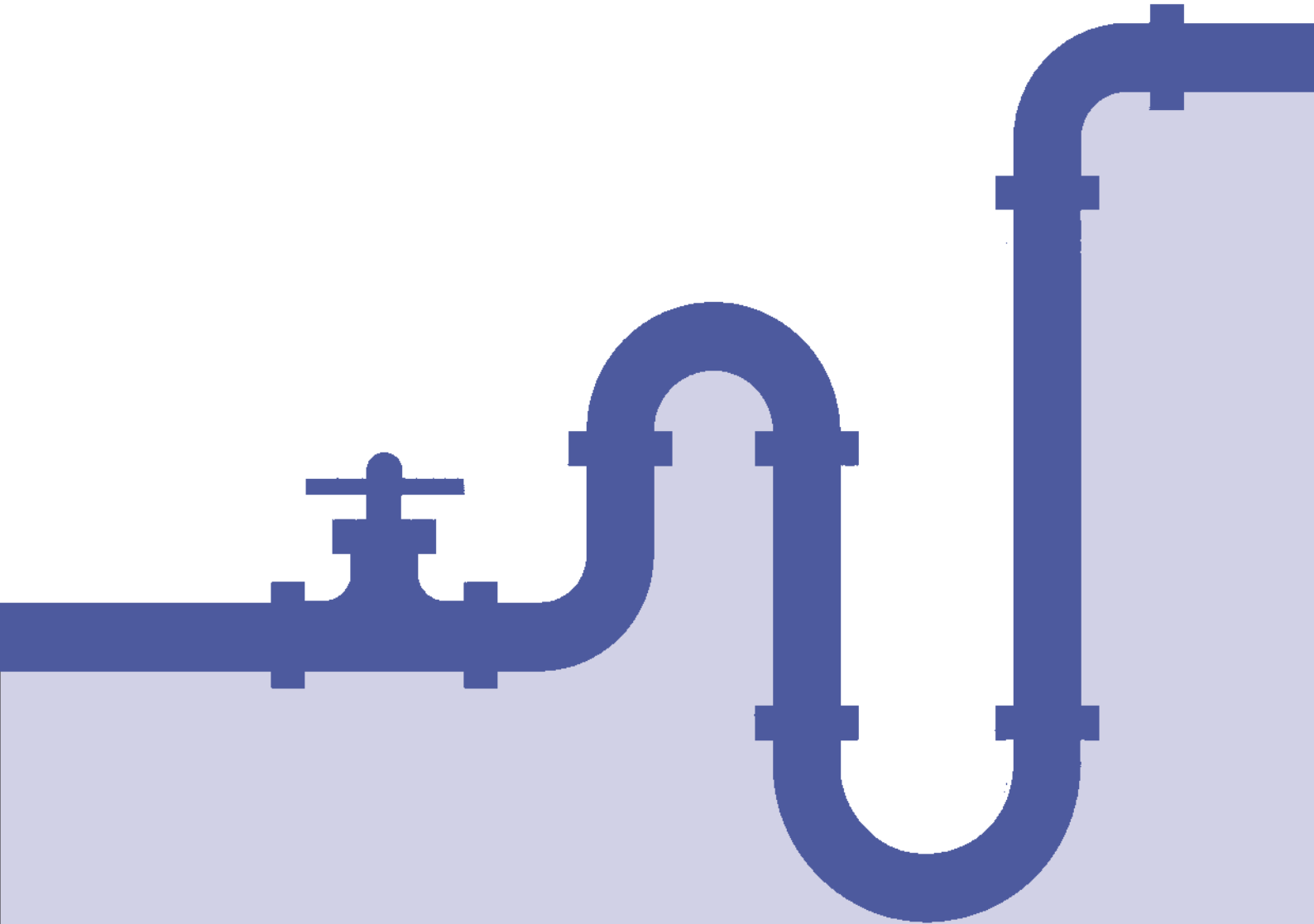
Pallavi Yerragonda

Company Secretary and Compliance Officer

M. No. A70447

Place: Hyderabad

Date : August 09, 2023



Likhitha Infrastructure Limited

8-3-323, 9th Floor, Vasavi's MPM Grand,
Yellareddy Guda, Ameerpet 'X' Raods,
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