

Date: 2nd September, 2022

THE LISTING DEPARTMENT,
BSE Ltd. (Designated Stock Exchange)
PJ Towers, Dalal Street,
Mumbai- 400 001

THE LISTING DEPARTMENT,
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex,
Bandra (E), Mumbai- 400 051

Stock Code, BSE: 532925
NSE: KAUSHALYA

Dear Sir / Madam,

Sub: Submission of Annual Report for the Financial Year 2021-2022


Pursuant to provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company for the Financial Year 2021-2022.


This is for your reference and record.

Thanking You,

Yours Faithfully

For Kaushalya Infrastructure Dev. Corp. Ltd.


Sanjay Lal Gupta
Whole-time Director
Company Secretary



Encl: as above



Annual Report 2021-22

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This Annual Report is available online at www.kaushalya.net

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Mahesh Mehra
Whole-time Director

Mrs. Minoti Nath
Woman Independent Director

Mr. Ram Krishna Mondal
Independent Director

Mr. Sandip Sarkar
Independent Director

Mr. Tarak Nath Mishra
Whole-time Director & Chief Financial Officer

Mr. Sanjay Lal Gupta
Whole-time Director & Company Secretary

REGISTRAR AND SHARE TRANSFER AGENT

CB Management Services (P) Ltd.
P- 22, Bondel Road, Kolkata- 700 019
Tel: (033) 4011 6700, Fax: (033)4011 6739
E-mail: rta@cbmsl.com

STATUTORY AUDITORS

M/s. Barkha & Associates
Chartered Accountants
9, Weston Street, Siddha Weston,
1st Floor, Room No. 137,
Kolkata- 700 013
E-mail: barkhaagarwal@hotmail.com

STATUTORY AUDITORS

M/s. B. K. Barik & Associates
Practicing Company Secretary
3A, Garstin Place, 4th Floor, Kolkata- 700 001
E-mail: satyabrata_mika@yahoo.co.in

BANKERS

HDFC Bank

REGISTERED OFFICE

HB- 170, Sector- III, Salt Lake, Kolkata- 700 106
Tel- (033) 2334 4148
Website: www.kaushalya.net
E-mail: info@kaushalya.net

Notice

Notice is hereby given that the Thirtieth (30th) Annual General Meeting (AGM) of the Members of **Kaushalya Infrastructure Development Corporation Limited** (the Company) will be held on the 27th day of September, 2022 at 02:00 P.M. through two-way video conferencing (V.C)/ Other Audio-Visual Means (OAVM) facility to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements (Standalone and Consolidated Financial Statements) of the Company for the year ended 31st March, 2022 together with the report of Board of Directors and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Sanjay Lal Gupta (DIN- 08850306), Whole-time Director & Company Secretary, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To re-appoint Mr. Mahesh Mehra (DIN- 00086683), as Whole-time Director of the company.

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modifications or re-enactment thereof) read with Schedule V thereof, the recommendation of Nomination & Remuneration Committee and the Board of Directors, the consent of Members of the Company be and is hereby accorded to re-appoint Mr. Mahesh Mehra (DIN- 00086683) as Whole-time Director of the Company for a period of three years w.e.f September 3, 2022 on the terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

4. To re-designate Mr. Sandip Sarkar (DIN- 08527653) as Independent Director of the Company from Non-executive Director.

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their meeting held on 13th August, 2022 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members of the Company be and is hereby accorded for re-designation of Mr. Sandip Sarkar (DIN- 08527653) from the position of Non-Executive Non-Independent Director to Independent Director who has given his consent and a declaration that he meets the criteria of independence as provided in section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, whose term shall not be subject to retirement by rotation, to hold office for a term of five years w.e.f August 13, 2022.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

By Order of the Board
Kaushalya Infrastructure Development Corporation Ltd

Sanjay Lal Gupta
Whole-time Director &
Company Secretary
Membership No: 43560

Dated: August 13, 2022
Registered Office:
HB-170, Sector III, Salt Lake
Kolkata-700106
CIN-L51216WB1992PLC055629
Phone - 033-23344148
Email - info@kaushalya.net

Notice (contd.)

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 02/2022 dated May 05, 2022 (collectively called as “*MCA Circulars*”) and Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/ HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 on May 13, 2022 (collectively called as “*SEBI Circulars*”) and all other relevant circulars issued from time to time, permitted the companies to conduct AGM through VC or other audio visual means, subject to compliance of various conditions as mentioned therein.

In compliance with the aforesaid MCA and SEBI Circulars, applicable provisions of the Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) the 30th AGM of the Company is being convened and conducted through V.C. / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. Explanatory Statement pursuant to Section 102 of the Act relating to the Special Business

to be transacted at the meeting described at Item no. 3 and 4 of the Notice of the Thirtieth AGM is annexed hereto.

3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. **THE FACILITY TO APPOINT A PROXY TO ATTEND AND CAST VOTE FOR THE SHAREHOLDER IS NOT MADE AVAILABLE FOR THIS AGM** and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. 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 for 1000 members on 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.

Notice (contd.)

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The shareholders, seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company from 23rd September, 2022, 10.00 A.M. till 24th September, 2022, 6.00 P.M through email on info@kaushalya.net. The same will be replied by/ on behalf of the Company suitably.
7. In view of the outbreak of the COVID-19 pandemic, resultant difficulties involved in dispatching of physical copies of the Annual Report and in line with the Circulars issued by MCA and SEBI, the Annual Report including Notice of the AGM of the Company indicating the process and manner of e-voting is being sent only by Email, to all the shareholders whose Email IDs are registered with the Company/ Depository Participant(s) for communication purposes to the shareholders and to all other persons so entitled. In line with the 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.kaushalya.net under the sub heading 'Financials' of the heading 'Investor Relationship' for download. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of National Securities Depository Limited ("NSDL"), the agency for providing the Remote e-Voting facility i.e. www.evoting.nsdl.com.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2022 to 27th September, 2022 (both days inclusive) for the purpose of this AGM.
9. Shareholders holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details to their Depository Participant ("DP"). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the Company's Registrars and Transfer Agent– **M/s. CB Management Services Private Limited** ("RTA") to provide efficient and better services. Shareholders holding shares in physical form are requested to intimate such changes to RTA at rta@cbmsl.com.
10. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their de-mat accounts. Members holding shares in physical form can submit their PAN details to the Company/RTA for registration of transmission/ transposition, deletion of name etc.
11. Shareholders holding shares in physical form, in identical order of names, in more than one

Notice (contd.)

- folio, are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such shareholders after making requisite changes.
12. A statement containing details of the Directors seeking appointment/re-appointment at the AGM as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith the Notice.
 13. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
 14. 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 & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs 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 businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system will be provided by NSDL.
 15. The cut-off date for the purpose of remote e-voting and e-voting at the AGM shall be 20th day of September, 2022. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting or e-voting at the AGM. A person who is not a member as on the cut-off date should treat this notice for information purpose only.
 16. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
 17. The Company has appointed M Shahnawaz & Associates, Practicing Company Secretaries (Membership No. 21427, COP. No. 15076) as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 18. The result of remote e-voting and e-voting at the AGM along with the Scrutinizer's Report shall be placed on the Company's website www.kaushalya.net and on the website of NSDL www.evotingindia.nsdl.com in due course. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

Notice (contd.)

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 24th September, 2022 at 9:00 A.M. and ends on 26th September, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the record date (cut-off date) i.e. 20th September, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20th September, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are

mentioned below:

Step 1: Access to NSDL e-Voting system




A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular dated December 9, 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL. Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDEAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDEAS ’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ Access to e-Voting ” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDEAS e-Services, 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

Notice (contd.)

Type of shareholders	Login Method
	<p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.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 hold 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. 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 www.cdslindia.com and click on New System Myeasi.</p> <p>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>

Notice (contd.)

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & 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 abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Notice (contd.)

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
- a) Click on "Forgot User Details/ Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/ folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting

Notice (contd.)

the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csmdshah@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
2. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. 20th September 2022 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” or “Physical User Reset Password” option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30 . In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. 20th September, 2022 may follow steps mentioned in the Notice of the AGM under Step 1 :“Access to NSDL e-Voting system”(Above).
3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password

Notice (contd.)

confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsd.com to reset the password.

4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsd.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@kaushalya.net
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@kaushalya.net. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be 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 in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through

Notice (contd.)

- the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join General meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at info@kaushalya.net latest by 5.00 p.m. (IST) on Saturday, 24th day of September, 2022.
 6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name, demat account number/folio number, email id, mobile number at info@kaushalya.net latest by 5.00 p.m. (IST) on Saturday, 24th day of September, 2022. The same will be replied by the company suitably.
 7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 8. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/camera along with good internet speed.
 9. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
 10. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

Notice (contd.)**EXPLANATORY STATEMENT****Pursuant to section 102(1) of the Companies Act, 2013****Item No. 3**

The Board of Directors at its meeting held on 13th August, 2022 re-appointed Mr. Mahesh Mehra (DIN:00086683) as Whole-time Director of the Company with effect from September 3, 2022 for a period of three years on the basis of recommendation of Nomination & Remuneration Committee and subject to approval of the shareholders. For this purpose, an agreement has been entered into by the Company with the Whole-time Director on August 13, 2022. The main terms and conditions of appointment of the Whole-time Director, as contained in the respective agreement dated August 13, 2022 are furnished below:

- a) Term of appointment: - Three years w.e.f September 3, 2022.
- b) Salary & Perquisites: Rs. 95,000/- (Rupees Ninety-Five Thousand Only) per month payable including Transport Allowance of Rs. 15,000/- (Rupees Fifteen Thousand Only). The annual increment will be decided by the Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee as per the remuneration policy of the Company.

Except Mr. Mahesh Mehra (DIN: 00086683), none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out in Item No.3.

Copy of the agreement dated August 13, 2022 referred above are available for inspection at the Registered Office of the Company during normal business hours on all working days except Saturday till the date of ensuing Annual General Meeting.

The Directors recommend the aforesaid Resolution for the approval by the Members as Ordinary Resolution.

Item No. 4

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, vide its resolutions dated May 30, 2022 approved the re-designation of Mr. Sandip Sarkar (DIN: 08527653) from

Non-Executive Independent Director to Non-Executive Non-Independent Director. Subsequently his position was regularized in the Extra- Ordinary General Meeting held on July 5, 2022 as Non-Executive Non-Independent Director of the Company.

The Board is of the opinion that Mr. Sarkar fulfills the criteria as set out in Section 149 (6) read with read with Schedule IV of the Act and therefore to comply with Regulation 17(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, in the meeting held on August 13, 2022 changed the designation of Mr. Sandip Sarkar from Non-Executive Non-Independent Director to Independent Director, subject to the approval of shareholders.

Copy of the draft letter of appointment setting out the terms and conditions would be available for inspection without any fee at the Registered Office of the Company during normal business hours on any working day.

He holds office up to the ensuing Annual General Meeting of the Company and his term shall not be subject to retirement by rotation and is eligible for appointment as Independent Director for five consecutive years up to August 12, 2027.

Mr. Sarkar, aged about 66 years has an extensive expertise in management and operation. He has served for more than 38 years as Technical Officer, Assistant Manager (Technical), District Handloom Officer and Assistant Director for various Depts./ Organization under Govt. of West Bengal.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India is annexed hereto and forms part of this Notice of AGM.

Except Mr. Sandip Sarkar, none of the Directors and/or Key Managerial Personnel of the Company is in any way interested in the Resolution, except their shareholding and the shareholding of their relatives in the Company.

The Directors recommend the aforesaid Resolution for the approval by the Members as Ordinary Resolution.

Notice (contd.)**Details of Directors seeking appointment / reappointment at the forthcoming AGM**

[In pursuance of Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.]

Particulars	Mr. Mahesh Mehra	Mr. Sandip Sarkar	Mr. Sanjay Lal Gupta
Date of Birth	November 17, 1955	January 2, 1956	September 15, 1990
Date of 1st Appointment on the Board	June 4, 1992	August 14, 2019	August 29, 2020
Educational Qualification	Bachelor of Commerce	Post Diploma from AIHB, Govt. of India	Company Secretary, Bachelors and Masters in Commerce from the Calcutta University
Expertise in specific functional areas	He has extensive expertise in Management and Operation of Diverse nature of Business.	He has extensive expertise in management and operation. He has served for more than 38 years as Technical Officer, Assistant Manager (Technical), District Handloom Officer and Assistant Director for various Departments/ Organizations under Govt. of West Bengal.	He has over 6 years of post-qualification experience as Company Secretary. He has vast experience in the field of legal, corporate, secretarial and finance matters. He is also having deep insight in areas of Corporate Laws, Corporate Governance and SEBI related matters.
Remuneration to be paid	As per the explanatory statement	No remuneration/ salary shall be paid except sitting fee	As per the Nomination and Remuneration Policy of the Company
Number of meetings of the Board attended during the financial year 2021- 22	5 out of 5	5 out of 5	5 out of 5
Directorship in other Companies as on March 31, 2022	1. Keleenworth Marketing Pvt. Ltd. 2. Trimurti Component Pvt. Ltd.	NIL	Azur Solar KDC Pvt. Ltd.
Chairman/ Member in the Committees of the Boards of the Companies as on March 31, 2022	1. Audit Committee 2. Stakeholder's Relationship Committee	1. Nomination and Remuneration Committee 2. Stakeholder's Relationship Committee	NIL
Number of shares held as on March 31, 2022	48,110	NIL	50
Inter-se-relation between Directors	N. A	N. A	N. A

Directors' Report

Dear Shareholders,

The Directors are pleased to present the 30th Annual Report together with the Audited Accounts for the financial year ended March 31, 2022.

Financial Performance

The Financial performance of the Company, for the year ended March 31, 2022 is summarized below:

(₹ In Lakhs)

Particulars	Standalone				Consolidated			
		31.03.22		31.03.21		31.03.22		31.03.21
Contract Revenue & Other Income		16.28		753.52		26.10		775.41
Profit before Depreciation, Interest & Tax		132.36		485.31		(176.77)		479.78
Less : Depreciation	27.83		38.38		27.90		34.45	
Interest	58.39	86.22	75.77	114.15	3.10	31.00	1.64	40.09
Profit before Tax		46.14		371.16		83.86		439.69
Less : Provision for Tax	-		-		-		-	
Current Tax	-		-		10.44		17.66	
Deferred Tax	23.27		134.34		22.94		134.51	
Prior Years Tax	16.53		236.54		17.84		236.66	
Total Income Tax for Year		39.81		370.88		51.22		388.83
Net Profit/(Loss) After Tax		6.33		0.28		32.64		63.76
Less : Minority Interest		-		-		13.45		24.67
Add: Share of Profit of Associate		-		-		10.13		12.91
Net Profit After Minority Interest		-		-		29.32		39.10
Balance b/f from previous year		(4,503.19)		(4,503.47)		(4,603.59)		(4,642.69)
Balance available for appropriations		(4,496.88)		(4,503.19)		(4,574.30)		(4,603.59)
APPROPRIATIONS								
Transfer to General Reserve		-		-		-		-
Balance Carried to Balance Sheet		(4,496.88)		(4,503.19)		(4,574.30)		(4,603.59)

State of Affair & Operations Review

During the year under review on a Standalone basis the Company has registered total income from operation of Rs. 16.28 Lakhs as against Rs. 753.52 Lakhs in the previous year (previous year total income included income from settlement reached against claims with National Highways Authority of India against arbitration award received in favour of the Company) . The Company has been making regular payments/installments with respect to the restructured loan of Indian Overseas Bank (taken over by Alchemist Asset Reconstruction Company Ltd.- Trust-VII {AARC}) as per terms outlined in the sanction letter. The Profit/Loss before depreciation, interest and tax for the year stood to Rs. 132.36 Lakhs as compared to Rs. 485.31 Lakhs in previous year. The Profit/ Loss After Tax for the F.Y. 2021- 22 is Rs. 6.33 Lakhs against previous F.Y Rs. 0.28 Lakhs.

Directors' Report (contd.)

On Consolidated basis, during the year under review the Total Income of the Company stood to Rs. 26.10 Lakhs as against Rs. 775.41 Lakhs in the previous year. The EBITDA of the Company stood at Rs. (176.77) Lakhs for the F.Y 2021- 22 as compared to Rs. 479.78 Lakhs in the previous year.

Dividend

During the year under review, the Board does not recommend payment of dividend on equity shares of the Company.

General Reserve

During the year under review, the Company has not transferred any amount to the General Reserve.

Employee Stock Option Scheme

During the year under review, the Company has not come out with Employee Stock Option Scheme.

Nature of Business

The Company operates under two segments:

- i) Construction, and
- ii) Hotel.

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

Material Changes and Commitments after the Balance Sheet Date

The company had entered into a joint venture for executing a contract for setting up a small hydro power project of 2 mega watts for Uttarakhand Jal Vidyut Nigam Ltd (UJVNL). It was decided that since the company was the lead partner and has 90% share in the contract, the entire execution was to be carried out by the company. Accordingly, the company incurred continuing overhead and other expenses including fixed expenses like salaries, other administration expenses, etc. to execute the project works and charged the same to its Profit & Loss account. However, subsequently disputes arose in the project and the contract was terminated. Arbitration proceedings against UJVNL for recovery of expenses already incurred by it along with loss of profits due to termination of the contract were initiated. The same were concluded in March' 2022 and award was received in favour of the Joint venture in April' 2022.

There have been no other material changes and commitments affecting the financial position of the Company except above which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the report.

Subsidiary Companies & Associate Companies

As on 31st March 2022, the Company's subsidiaries, step down subsidiaries, associates and joint venture are as follows:

Subsidiaries	Bengal KDC Housing Development Limited	KDC Nirman Limited	Kaushalya Energy Private Limited
Step Down-Subsidiary	Azur Solar KDC Private Limited (Name of the Company Struck-off by ROC, Kolkata w.e.f June 17, 2022)		
Associates	Orion Abasaan Private Limited	Kaushalya Nirman Private Limited	Kaushalya Township Private Limited
Joint Venture	KIDCO-NACC		

Directors' Report (contd.)

A Policy has been formulated for determining the Material Subsidiaries of the Company pursuant to the Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Policy has been uploaded on the Company's website at <http://www.kaushalya.net/MATERIAL%20SUBSIDIARY.pdf>

The Company has one material Subsidiary namely *Bengal KDC Housing Development Ltd.* as on 31st March, 2022.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/ Associate Companies/ Joint Ventures is given in Form AOC-1 and forms an integral part of this Annual Report.

Consolidated financial statements

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared Consolidated Financial Statements of the Company and of all its subsidiaries, associates and joint venture, which is forming part of the Annual Report. As per the provisions of Section 136 of the Companies Act, 2013, separate audited financial statements of its subsidiaries are being placed on its website <http://www.kaushalya.net/others.htm>

Listing of equity shares

The Company's Equity Shares are listed on the BSE Ltd. and National Stock Exchange of India Ltd.

Change in Share Capital

During the year under review, Company's Authorized Share Capital has remained unchanged at Rs. 35,00,00,000/- (Rupees Thirty-Five Crores Only) comprising 3,50,00,000 Equity Shares of Rs. 10/- each.

During the year under review, Company's Paid-Up Share Capital has remained unchanged at Rs. 34,63,06,300/- (Rupees Thirty-Four Crores Sixty-Three Lakhs Six Thousand Three Hundred Only) comprising of 3,46,30,630 Equity Shares of Rs. 10/- each.

The Company has obtained approval from the members in Extra-Ordinary General Meeting (EOGM) held on July 5, 2022 for consolidation of the entire Issued, subscribed and paid-up share capital of the Company by increasing the face value (nominal value) of the equity shares from Rs. 10/- each to Rs. 1,000/- each. Consequent upon and simultaneous with the consolidation of the Equity Shares, the existing Authorised Share Capital of Rs. 35,00,00,000/- (Rupees Thirty-Five Crores Only) of the Company divided into 3,50,00,000 (Three Crores Fifty Lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each will be consolidated, to comprise 3,50,000 (Three Lakhs Fifty Thousand) Equity Shares of Rs. 1,000/- (Rupees One Thousand Only) each aggregating to Rs. 35,00,00,000/- (Rupees Thirty-Five Crore Only).

Directors' Report (contd.)

IT IS PERTINENT TO NOTE THAT THE ABOVE CHANGES SHALL TAKE EFFECT ONLY IF THE PROPOSED CONSOLIDATION IS APPROVED BY THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL.

Transfer to Investor Education and Protection Fund.

During the year under review, there has been no transfer to Investor Education and Protection fund by the Company.

Board of Directors

Mr. Mahesh Mehra (DIN-00086683), Whole-time Director, Mr. Tarak Nath Mishra (DIN-08845853), Whole-time Director & Chief Financial Officer and Mr. Sanjay Lal Gupta (DIN-08850306), Whole-time Director & Company Secretary are the Executive Directors of the Company as on 31st March, 2022. A resolution has been proposed for re-appointment of Mr. Mahesh Mehra for a period of three years.

Mrs. Minoti Nath (DIN-07017530) is the Woman Independent Director of the Company, Mr. Sandip Sarkar (DIN-07691831) and Mr. Ram Krishna Mondal (DIN- 02065330) are the Independent Directors of the Company as on 31st March, 2022.

Mr. Sanjay Lal Gupta, Whole-time Director & Company Secretary is liable to retire by rotation and being eligible offers himself for re-appointment.

Resolution seeking approvals of the members have been incorporated in the notice of the AGM. Brief resumes/details relating to Directors who are to be appointed/ reappointed are furnished in the notice of the ensuing AGM as required under the Code of Corporate Governance.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Directors of the company have complied with the Code for Independent Directors prescribed in Schedule IV to the Act. Further, as required under section 150(1) of the Companies Act, 2013 they have registered themselves as Independent Directors in the independent director data bank.

Key Managerial Personnel

In compliance of the provisions of Section 203 of the Companies Act, 2013, the following persons are the Key Managerial Personnel (KMP) of the Company:

- (a) Mr. Mahesh Mehra, Whole-time Director;
- (b) Mr. Tarak Nath Mishra, Whole-time Director & Chief Financial Officer; and
- (c) Mr. Sanjay Lal Gupta, Whole-time Director & Company Secretary.

Directors' Report (contd.)

Directors' Responsibility Statement

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges in the preparation of the annual accounts for the year ended 31st March, 2022:

- I. In the preparation of the annual accounts, the applicable accounting standards had 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 profits 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 the Companies Act, 2013, 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 for the Company and such internal financial controls are adequate and operating effectively; and
- VI. There is a proper system to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Particulars of remuneration of employees

The particulars of remuneration of employees, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) and 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in a separate annexure as “Annexure-I” attached hereto and forms part of this report.

Deposits

The Company has not accepted any deposit from the public/ members under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year.

Number of meetings of the Board

The Board met 5 (Five) times during the financial year under review. The details are given in the Corporate Governance Report that forms part of the Annual Report.

Audit Committee

The Audit Committee was constituted by the Company and the details of terms of reference of the Audit Committee, numbers and dates of meetings held, attendance, among others are given separately in the attached Corporate Governance Report.

During the year under review, there were no instances that the Board had not accepted the recommendations of the Audit Committee.

Nomination & Remuneration Committee

A Nomination & Remuneration Committee was constituted by the Company and the details of terms

Directors' Report (contd.)

of reference, number and dates of meeting held, attendance, among others are given separately in the attached Corporate Governance Report forming part of this Annual Report.

Stakeholders' Relationship Committee

The composition and terms of reference of the Stakeholders' Relationship Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

Corporate Social Responsibility Committee

Pursuant to provisions of section 135(1) of Companies Act, 2013 formation of such committee is not applicable to the Company.

Whistleblower/Vigil Mechanism Policy

The Company has in place a whistleblower policy to deal with unethical behavior, victimization, fraud and other grievances or concerns, if any. The aforementioned whistleblower policy can be accessed on the Company's website at <http://www.kaushalya.net/VIGIL%20MECHANISM.pdf>

Risk Management Policy

The Company has a defined Risk Management framework to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Risk Management Policy provides for identification of risk, its assessment and procedures to minimize risk. The policy is periodically reviewed to ensure that the executive management controls the risk as per decided policy.

Directors' Appointment and Remuneration Policy

The Policy of the Company on Directors' Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under sub-section (3) and (4) of Section 178, is available on the website of the company at http://www.kaushalya.net/KIDCO_NRP.pdf

Sexual Harassment Policy

The Company has a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013".

During the year under review, the Company has not received any complaint under the Policy.

Board Evaluation

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an annual evaluation of its own performance, of the individual Directors as well as the working of its Audit, Nomination & Remuneration and Stakeholders' Relationship committees. The manner in which the evaluation has been carried out has been explained in the attached Corporate Governance Report that forms an integral part of this Annual Report.

Directors' Report (contd.)

Particulars of Loans, Investments and Guarantees

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the particulars of loans/advances given to subsidiaries have been disclosed in the Annual Accounts of the Company.

Related Party Transactions

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at <http://www.kaushalya.net/KIDCORELATED.pdf>

All contracts or arrangements entered into by the Company with its related parties during the financial year were in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All such contracts or arrangements, which were approved by the Audit Committee, were in the ordinary course of business and on arm's length basis. No material contracts or arrangements with related parties were entered into during the year under review. Accordingly, the disclosure of Related Party Transactions as required in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form AOC -2 is not applicable for this year.

Extract of annual return

The details forming part of extract of Annual Return is annexed herewith as "**Annexure- II**". Further, as per provisions of Section 92(3) of the Companies Act, 2013 (the Act), the Annual Return of the Company in Form MGT-7 is also hosted on the website of the Company. The same can be accessed in web-link i.e., www.kaushalya.net

Significant and material orders passed by the regulator/court/ tribunals etc.

During the year under review, no significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

Internal Financial Control

The Company has in place adequate internal financial control with reference to the financial statements. During the year, such control was reviewed and no reportable material weakness was observed.

Corporate Governance

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements as set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Annual Report.

Management Discussion and Analysis

Management Discussion and Analysis for the year under review, as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, is presented in a separate section forming part of this Annual Report.

Directors' Report (contd.)

CEO/CFO Certification

As required by the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/ CFO certification has been submitted to the Board and a copy thereof is contained elsewhere in this Annual Report.

Auditors & Auditors' Report

M/s. Barkha & Associates, Chartered Accountants (FRN: 327573E) were appointed as the Statutory Auditors of the Company at the 29th AGM held on September 24, 2021 for a period of five years on such remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable taxes and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit.

The reports given by the Auditors on the Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 form part of this Annual Report and there is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Reports.

The Auditors of the Company have not reported any fraud in terms of the second proviso to Section 143(12) of the Act.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors had appointed M/s. B. K. Barik & Associates, Company Secretaries as Secretarial Auditors to carry out the Secretarial Audit of the Company for the financial year 2021- 22.

The Report given by them for the said financial year in the prescribed format is annexed to this Report as “**Annexure-III**”. The secretarial audit report does not contain any qualifications, reservation or adverse remarks.

The Company has one material unlisted subsidiary incorporated in India, namely Bengal KDC Housing Development Ltd. The Secretarial Audit Report by M/s. B. K. Barik & Associates, Company Secretaries for the financial year 2021- 22 of Bengal KDC Housing Development Ltd. in the prescribed format is annexed to the Annual Report of Bengal KDC Housing Development Ltd. for the said financial year.

Cost Auditors

The cost audit under section 148 of Companies Act, 2013 read with its rule is not applicable for the Company for the financial year ended 31st March, 2022.

Restructuring of Debts

The Debts of the Company pertaining to Indian Overseas Bank and State Bank of India were taken over by Alchemist Asset Reconstruction Company Limited- Trust- VII (AARC) vide their Assignment Agreements with lender banks dated March 24, 2017 and December 29, 2017 respectively. The Company had reached a settlement of its debts with respect to State Bank of India (SBI) and restructured its debts with respect to Indian Overseas Bank (IOB) with AARC. The Company has been able to make the full payment of the settled amount in respect to debts of SBI Account and received no dues certificate dated June 1, 2018.

Directors' Report (contd.)

The Company is regular in payment of installments pertaining to loan account of Indian Overseas Bank as per the schedule as stated in the sanction letter. The Company has also prepaid a portion of debt of AARC.

Compliance with Secretarial Standards

During the year under review, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Other Information

The Audit Committee of the Company has reviewed the audited financial statements for the year under review at its meeting held on May 30, 2022 and recommended the same for the approval of the Board of Directors.

Annexures forming a part of this Directors Report

The Annexures referred to in this report and other information, which are required to be disclosed are annexed herewith and forms a part of this report of the Directors:

Annexure	Particulars
I	Particulars of Remuneration of Employees.
II	Extract of Annual Return.
III	Secretarial Audit Report.

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

Presently, the Company is not engaged in any activity relating to conservation of energy or technology absorption. During the year under review, the Company has no foreign exchange earnings and outgoes.

Appreciation

The Board of Directors wish to thank the Central Government, the Government of West Bengal, the Financial Institutions, its Bankers, Alchemist Asset Reconstruction Company Limited, Shareholders, Customers, Dealers and other Business Associates for the support received from them during the year. The Directors of the Company place on record their sincere appreciation for all employees of the Company and for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

Dated: 13th August, 2022
Registered office:
HB-170, Sector-III, Salt Lake,
Kolkata-700106
CIN-L51216WB1992PLC055629

Mahesh Mehra
DIN : 00086683
Whole-time Director

Sanjay Lal Gupta
DIN-08850306
Whole-time Director &
Company Secretary

Annexure to Directors' Report

Annexure I to the Directors' Report

Particulars of Remuneration of Employees

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

- (i) The Percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial year 2021- 22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021- 22 and the comparison of remuneration of each Key Managerial Personnel (KMP)

Sl. No.	Name of the Director/KMP and Designation	Remuneration of Director/ KMP for financial year 2021 -22 (₹ in Lakhs)	% Increase in remuneration in the financial year 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
1	Mahesh Mehra (Whole-time Director)	11.40	NIL	3.38	24.7%
2	Tarak Nath Mishra (Whole-time Director & CFO)	5.41	NIL	1.61	11.73%
3	Sanjay Lal Gupta (Whole-time Director & Company Secretary)	3.37	NIL	1.00	7.3%

Note: for this purpose, Non-Executive Directors are excluded as they received only sitting fees.

- (ii) The median remuneration of employees of the Company is Rs. 3.37 Lakhs.
- (iii) In the financial year, the increase in the median remuneration of employees is 88.8%.
- (iv) There were 7 permanent employees on the rolls of the Company as on March 31, 2022;
- (v) Relationship between average increase in remuneration and Company performance: Not applicable
- (vi) Comparison of the remuneration of the Key Managerial Personnel(s) against the performance of the Company: - Refer table above;
- (vii) (a) Variation in market capitalization of the Company: The market capitalization as on March 31, 2022 was Rs. 12.29 crore (Rs. 5.40 crore as on March 31, 2021);
- (b) Price Earnings ratio of the Company was 194.22 as at March 31, 2022 and was 2,040.73 as at March 31, 2021;
- (c) Percentage increase or decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer in the year is (94.08) %.
- (viii) Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year i.e., 2021- 22 was NIL whereas the percentile increase in the managerial remuneration for the same financial year was NIL.
- (ix) Comparison of each remuneration of the Key Managerial Personnel(s) against the performance of the Company: Refer table above.
- (x) The key parameter for any variable components of remuneration availed by Directors: Not Applicable
- (xi) The ratio of the remuneration of the highest paid Directors to that of the employees who are not Directors but received remuneration in excess of highest paid Directors during the year: 1.08
- (xii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees

NOTE: Section 197(12) of the Companies Act, 2013 read with rule 5 of sub rule 2 of the (Companies Appointment & Remuneration of Managerial Personnel), 2014 not applicable hence no disclosure made here.

**Annexure II to the
Directors' Report**

FORM No. MGT 9

Extract of Annual Return

As on the financial year ended on March 31, 2022

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS

a)	CIN	:	L51216WB1992PLC055629
b)	Registration Date	:	4th June, 1992
c)	Name of the Company	:	Kaushalya Infrastructure Development Corporation Limited
d)	Category/Sub-category	:	Public Company/ Company limited by shares
e)	Address of the Registered office & contact details	:	HB-170, Sector-III, Salt Lake, Kolkata - 700106, Email- info@kaushalya.net, Website-www.kaushalya.net Ph.: 033- 2334 4148, Fax: 033- 2334 4148
f)	Whether listed company	:	Yes
g)	Name, Address & contact details of the Registrar & Transfer Agent, if any	:	CB Management Services (P) Limited. P-22 Bondel Road, Kolkata- 700019 Email-rta@cbmsl.com, Website-www.cbmsl.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No	Name & Description of main products/ services	NIC Code of the Product/ Services	% to total turnover of the company
1	Construction	9953	-
2	Hotel	9963	100.00
			100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SL. NO.	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	BENGAL KDC HOUSING DEVELOPMENT LIMITED HB-170, Sector-III, Salt Lake, Kolkata- 700106	U70101WB2006PLC110153	Subsidiary	51.00	2(87)(II)
2	KDC NIRMAN LIMITED (FORMERLY KNOWN AS BENGAL KAUSHALYA NIRMAN LIMITED) HB-170, Sector-III, Salt Lake, Kolkata-700106	U70100WB2008PLC123501	Subsidiary	51.00	2(87)(II)
3	KAUSHALYA ENERGY PRIVATE LIMITED HB-170, Sector-III, Salt Lake, Kolkata-700106	U40104WB2008PTC129344	Subsidiary	95.50	2(87)(II)
4	AZUR SOLAR KDC PRIVATE LIMITED HB-170, Sector-III, Salt Lake, Kolkata-700106 (Struck off w.e.f. 17.06.2022)	U31908WB2010PTC148514	Step Down Subsidiary	99.00	2(87)(II)
5	KAUSHALYA NIRMAN PRIVATE LIMITED 69, Girish Park North, Kolkata- 700006	U70101WB2006PTC111321	Associate	46.00	2(6)

Annexure to Directors' Report (contd.)

SL. NO.	NAME & ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
6	KAUSHALYA TOWNSHIP PRIVATE LIMITED HB-170, Sector-III, Salt Lake, Kolkata- 700106	U70109WB2006PTC111320	Associate	48.72	2(6)
7	ORION ABASAAN PRIVATE LIMITED 160, Jamunalal Bajaj Street, Kolkata-700007	U70101WB2006PTC111322	Associate	48.33	2(6)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % TO TOTAL EQUITY)

(i) Category- wise Share Holding

Category of Shareholder	Number of shares held at the beginning of the year				Number of shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares		
A. Promoters										
(1) Indian										
(a) Individual/ HUF	3,139,624	-	3,139,624	9.07	3,139,624	-	3,139,624	9.07	-	
(b) Central Government	-	-	-	-	-	-	-	-	-	
(c) State Government (s)	-	-	-	-	-	-	-	-	-	
(d) Bodies Corporate	14,666,850	-	14,666,850	42.35	14,666,850	-	14,666,850	42.35	-	
(e) Banks/FI	-	-	-	-	-	-	-	-	-	
(f) Any Other	-	-	-	-	-	-	-	-	-	
Sub Total(A)(1)	17,806,474	-	17,806,474	51.42	17,806,474	-	17,806,474	51.42	-	
(2) Foreign										
(a) NRIs-Individuals	-	-	-	-	-	-	-	-	-	
(b) Other - Individuals	-	-	-	-	-	-	-	-	-	
(c) Bodies Corporate	-	-	-	-	-	-	-	-	-	
(d) Banks/FI	-	-	-	-	-	-	-	-	-	
(e) Any Other	-	-	-	-	-	-	-	-	-	
Sub Total (A)(2)	-	-	-	-	-	-	-	-	-	
Total Shareholding of Promoter(A)=(A)(1)+(A)(2)	17,806,474	-	17,806,474	51.42	17,806,474	-	17,806,474	51.42	-	
B. Public shareholding										
1. Institutions										
(a) Mutual Funds	-	-	-	-	-	-	-	-	-	
(b) Banks/FI	800	-	800	-	800	-	800	-	-	
(c) Central Government	-	-	-	-	-	-	-	-	-	
(d) State Government(s)	-	-	-	-	-	-	-	-	-	
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-	
(f) Insurance Companies	-	-	-	-	-	-	-	-	-	
(g) FIIs	-	-	-	-	-	-	-	-	-	
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	
(i) Other (specify)	-	-	-	-	-	-	-	-	-	
Sub-Total (B)(1)	800	-	800	-	800	-	800	-	-	

Annexure to Directors' Report (contd.)

Category of Shareholder	Number of shares held at the beginning of the year				Number of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2. Non-institutions									
(a) Bodies Corporate									
(i) Indian	2,492,014	-	2,492,014	7.20	2,622,576	-	2,622,576	7.57	0.38
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	9,971,449	560	9,972,009	28.80	10,615,421	560	10,615,981	30.65	1.86
(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh.	4,046,550	-	4,046,550	11.68	3,281,371	-	3,281,371	9.48	(2.21)
(c) Others (specify)									
(c-i) Non-Resident Individuals	290,693	-	290,693	0.84	268,501	-	268,501	0.78	(0.06)
(c-ii) Clearing Members	22,090	-	22,090	0.06	34,927	-	34,927	0.10	0.04
Sub-Total (B)(2)	16,822,796	560	16,823,356	48.58	16,822,796	560	16,823,356	48.58	-
Total Public Shareholding (B) = (B)(1)+(B)(2)	16,823,596	560	16,824,156	48.58	16,823,596	560	16,824,156	48.58	-
C. Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	34,630,070	560	34,630,630	100.00	34,630,070	560	34,630,630	100.00	-

(ii) Shareholdings of Promoters

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Mahanti Engineers Pvt Ltd.	53,07,600	15.33	-	53,07,600	15.33	-	-
2	Sun Kissed Merchandise Pvt. Ltd.	50,22,900	14.50	-	50,22,900	14.50	-	-
3	Keleenworth Marketing Pvt. Ltd.	43,36,350	12.52	-	43,36,350	12.52	-	-
4	Prashant Mehra	9,17,760	2.65	0.28	9,17,760	2.65	0.28	-
5	Ramesh Kumar Mehra HUF	8,38,000	2.42	-	8,38,000	2.42	-	-
6	Rahul Mehra	3,92,434	1.13	-	3,92,434	1.13	-	-
7	Mohini Mehra	1,54,600	0.45	-	1,54,600	0.45	-	-
8	Pranav Mehra	1,34,410	0.39	-	1,34,410	0.39	-	-
9	Kartik Mehra	1,12,000	0.32	-	1,12,000	0.32	-	-
10	Anuradha Mehra	97,140	0.28	-	97,140	0.28	-	-
11	Neeru Mehra	89,100	0.26	-	89,100	0.26	-	-

Annexure to Directors' Report (contd.)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
12	Ramesh Kumar Mehra-Karta of BaijNath Mehra (HUF)	72,500	0.21	-	72,500	0.21	-	-
13	Raghav Mehra	72,500	0.21	-	72,500	0.21	-	-
14	Karan Mehra	60,740	0.18	-	60,740	0.18	-	-
15	Mahesh Mehra	48,110	0.14	0.14	48,110	0.14	0.14	-
16	Sidh Nath Mehra HUF	44,000	0.13	-	44,000	0.13	-	-
17	Mahesh Mehra HUF	35,000	0.1	-	35,000	0.1	-	-
18	Purnima Mehra	31,320	0.09	-	31,320	0.09	-	-
19	Ramesh Kumar Mehra	30,010	0.09	0.09	30,010	0.09	0.09	-
20	Pooja Mehra	10,000	0.03	-	10,000	0.03	-	-
	Total	1,78,06,474	51.42	0.51	1,78,06,474	51.42	0.51	-

(iii) Change in Promoters' shareholding (Please specify, if there is no change)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
No Change During the Year					

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	INDIAN INFOTECH AND SOFTWARE LIMITED				
	At the beginning of the year (01/04/2021)	854,900	2.47	854,900	2.47
	Transfer on 18/06/2021	40,000	0.12	894,900	2.58
	Transfer on 25/06/2021	46,315	0.13	941,215	2.72
	Transfer on 30/06/2021	94,111	0.27	1,035,326	2.99
	Transfer on 02/07/2021	23,023	0.07	1,058,349	3.06
	Transfer on 09/07/2021	47,800	0.14	1,106,149	3.19
	Transfer on 29/10/2021	1,334	-	1,107,483	3.20
	Transfer on 05/11/2021	12,720	0.04	1,120,203	3.23
	Transfer on 12/11/2021	13,939	0.04	1,134,142	3.27
	At the end of the year (31/03/2022)	-	-	1,134,142	3.27

Annexure to Directors' Report (contd.)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
2	TRILOK ADVISORY PVT. LTD.				
	At the beginning of the year (01/04/2021)	8,06,167	2.33	8,06,167	2.33
	At the end of the year (31/03/2022)	-	-	8,06,167	2.33
3	DIMENSION HOLDINGS PRIVATE LIMITED				
	At the beginning of the year (01/04/2021)	590,000	1.70	590,000	1.70
	At the end of the year (31/03/2022)	100,000	0.29	490,000	1.41
	At the end of the year (31/03/2022)	-	-	490,000	1.41
4	KALYAN KUMAR				
	At the beginning of the year (01/04/2021)	500,000	1.44	500,000	1.44
	Transfer on 17/12/2021	10,000	0.03	490,000	1.41
	Transfer on 24/12/2021	10,000	0.03	480,000	1.39
	Transfer on 31/12/2021	20,000	0.06	460,000	1.33
	Transfer on 07/01/2022	30,000	0.09	430,000	1.24
	Transfer on 14/01/2022	30,000	0.09	400,000	1.16
	Transfer on 21/01/2022	400,000	1.16	-	-
	At the end of the year (31/03/2022)	-	-	-	-
	5	DAKSHA KOTAK			
At the beginning of the year (01/04/2021)		1,04,646	0.3	1,04,646	0.3
At the end of the year (31/03/2022)		-	-	1,04,646	0.3
6	DIPENDRA KUMAR SAH				
	At the beginning of the year (01/04/2021)	102,848	0.30	102,848	0.30
	Transfer on 14/01/2022	4,500	0.01	98,348	0.28
	Transfer on 21/01/2022	1,300	0.00	97,048	0.28
	Transfer on 28/01/2022	7,000	0.02	90,048	0.26
	Transfer on 18/02/2022	20,000	0.06	70,048	0.20
	Transfer on 25/02/2022	6,000	0.02	64,048	0.18
	Transfer on 04/03/2022	13,200	0.04	50,848	0.15
	Transfer on 11/03/2022	15,272	0.04	35,576	0.10
	Transfer on 18/03/2022	12,200	0.04	23,376	0.07
	Transfer on 25/03/2022	3,800	0.01	19,576	0.06
	Transfer on 31/03/2022	13,830	0.04	5,746	0.02
	At the end of the year (31/03/2022)	-	-	5,746	0.02

Annexure to Directors' Report (contd.)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
7	BHARAT R MEHTA HUF				
	At the beginning of the year (01/04/2021)	101,350	0.29	101,350	0.29
	Transfer on 18/02/2022	101,350	0.29	-	-
	At the end of the year (31/03/2022)	-	-	-	-
8	ELENJIKKAL POULOSE DICKSON				
	At the beginning of the year (01/04/2021)	100,100	0.29	100,100	0.29
	Transfer on 21/01/2022	30,000	0.09	70,100	0.2
	Transfer on 28/01/2022	60,000	0.17	10,100	0.03
	At the end of the year (31/03/2022)	-	-	10,100	0.03
9	BOMMINENI MURALI				
	At the beginning of the year (01/04/2021)	100,000	0.29	100,000	0.29
	At the end of the year (31/03/2022)	-	-	100,000	0.29
10	AMIT MODI				
	At the beginning of the year (01/04/2021)	80,000	0.23	80,000	0.23
	Transfer on 04/06/2021	6,397	0.02	86,397	0.25
	Transfer on 11/06/2021	1,603	0	88,000	0.25
	Transfer on 03/12/2021	3,616	0.01	84,384	0.24
	Transfer on 24/12/2021	60,374	0.17	24,010	0.07
	Transfer on 28/01/2022	24,000	0.07	10	0
	At the end of the year (31/03/2022)	-	-	10	0
11	AJMERA ASSOCIATES LTD.				
	At the beginning of the year (01/04/2021)	78,248	0.23	78,248	0.23
	At the end of the year (31/03/2022)	-	-	78,248	0.23
12	RITU ARORA				
	At the beginning of the year (01/04/2021)	9,800	0.03	9,800	0.03
	Transfer on 04/03/2022	5,820	0.02	15,620	0.05
	Transfer on 11/03/2022	48,752	0.14	64,372	0.19
	Transfer on 18/03/2022	10,969	0.03	53,403	0.15
	Transfer on 25/03/2022	10,664	0.03	64,067	0.19
	Transfer on 31/03/2022	428	0	64,495	0.19
At the end of the year (31/03/2022)	-	-	64,495	0.19	

Annexure to Directors’ Report (contd.)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
13	JINSMON EMMANUEL				
	At the beginning of the year (01/04/2021)	20,000	0.06	20,000	0.06
	Transfer on 08/10/2021	45,946	0.13	65,946	0.19
	Transfer on 26/11/2021	28,427	0.08	37,519	0.11
	Transfer on 03/12/2021	31,831	0.09	5,688	0.02
	Transfer on 14/01/2022	58,317	0.17	64,005	0.18
	At the end of the year (31/03/2022)	-	-	64,005	0.18
14	PRITY NANDY				
	At the beginning of the year (01/04/2021)	-	-	-	-
	Transfer on 31/03/2022	57,686	0.17	57,686	0.17
	At the end of the year (31/03/2022)	-	-	57,686	0.17
15	HABIBUR REHMAN				
	At the beginning of the year (01/04/2021)	52,386	0.15	52,386	0.15
	At the end of the year (31/03/2022)	-	-	52,386	0.15

(v) Shareholding of Directors & Key Managerial Personnel

Sl. No	Name of Director and KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Mr. Mahesh Mehra - Whole-time Director				
	At the beginning of the year	48,110	0.14	48,110	0.14
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No change during the year			
	At the end of the year	48,110	0.14	48,110	0.14
2	Mrs. Minoti Nath - Independent Director				
	At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	No change during the year			
	At the end of the year	-	-	-	-

Annexure to Directors' Report (contd.)

3	Mr. Sandip Sarkar -Independent Director	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No change during the year			
	At the end of the year	-	-	-	-

4	Mr. Ram Krishna Mondal - Independent Director	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No change during the year			
	At the end of the year	-	-	-	-

5	Mr. Tarak Nath Mishra - Whole-time Director & Chief Financial Officer	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	1,500	-	1,500	-
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No change during the year			
	At the end of the year	1,500	-	1,500	-

6	Mr. Sanjay Lal Gupta - Whole-time Director & Company Secretary	No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	50	-	50	-
	Date wise increase/decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc)	No change during the year			
	At the end of the year	50	-	50	-

Annexure to Directors' Report (contd.)

V. INDEBTEDNESS

(₹ In Lakhs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,440.06	861.08	-	3,301.14
ii) Interest due but not paid	-	189.49	-	189.49
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,440.06	1,050.57	-	3,490.62
Change in Indebtedness during the financial year				
Additions	-	51.44	-	51.44
Reduction	(50.00)	-	-	(50.00)
Net Change	50.00	51.44	-	1.44
Indebtedness at the end of the financial year				
i) Principal Amount	2,390.06	865.08	-	3,255.14
ii) Interest due but not paid	-	236.93	-	236.93
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	2,390.06	1,102.01	-	3,492.07

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(₹ In Lakhs)

Sl. No	Particulars of Remuneration	Whole-time Director			Total Amount
		Mr. Mahesh Mehra	Mr. Tarak Nath Mishra	Mr. Sanjay Lal Gupta	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	11.40			11.40
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	--			-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	--			-
2	Stock option	--			-
3	Sweat Equity	--			-
4	Commission				
	as % of profit	--			-
	others (specify)	--			-
5	Others, please specify	--			-
	Total (A)	11.40			11.40

Remuneration details is provided in Part C of this Annexure.

Ceiling as per the Act:- ₹ 42 Lakhs as per section 197(3) of the Companies Act, 2013 read with section II of schedule V.

Annexure to Directors' Report (contd.)

B. Remuneration to other directors:

(₹ In Lakhs)

Sl. No	Particulars of Remuneration	Name of Independent Directors			Total Amount
		Mrs. Minoti Nath	Mr. Sandip Sarkar	Mr. Ram Krishna Mondal	
(a)	Fee for attending board/committee meetings	0.50	0.50	0.19	1.18
(b)	Commission	--	--	--	--
(c)	Others, please specify	--	--	--	--
Total (B)		0.50	0.50	0.19	1.18
Total Managerial Remuneration (A+B)					12.58
Ceiling as per the Act: - ₹ 1 Lakh per meeting of the board or committee as per section 197(5) of The Companies Act, 2013 read with rule 4 of The Companies (Appointment and Remuneration of Managerial Personnel) rules, 2014.					

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD.

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Key Management Personnel		Total Amount
		Company Secretary Mr. Sanjay Lal Gupta	CFO Mr. Tarak Nath Mishra	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	3.37	5.41	8.78
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission	--	--	--
	as % of profit	--	--	--
	others, specify	--	--	--
5	Others, please specify	--	--	--
	Total	3.37	5.41	8.78

Annexure to Directors’ Report (contd.)

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty			NIL		
Punishment					
Compounding					
B. Directors					
Penalty			NIL		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty			NIL		
Punishment					
Compounding					

For and on behalf of the Board

Dated: 13th August, 2022
 Registered office:
 HB-170, Sector-III, Salt Lake,
 Kolkata-700106
 CIN-L51216WB1992PLC055629

Mahesh Mehra
 DIN : 00086683
 Whole-time Director

Sanjay Lal Gupta
 DIN-08850306
 Whole-time Director &
 Company Secretary

Annexure to Directors' Report (contd.)

Annexure III to the Directors' Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
(For the Financial Year ended 31st March, 2022)

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

To

The Members,

M/s KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED
HB-170, SECTOR-3, SALT LAKE,
KOLKATA-700 106

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LTD.** (hereinafter called the "Company").

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 ("the audit period") 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 31st March, 2022 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), whatever applicable & to the extent applicable to the company:-

Annexure to Directors' Report (contd.)

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: Not Applicable to the Company during the audit period;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014: Not Applicable to the Company during the audit period;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not Applicable to the Company during the audit period;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 200: Not Applicable to the Company during the audit period;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, as amended: Not Applicable to the Company during the audit period;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations/ guidelines/ circulars issued by SEBI from time to time, to the extent applicable.

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

- (i) Secretarial Standards as issued and mandated by the Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE) & National Stock Exchange of India Limited (NSE).

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

We further report that:

The Board of directors of the Company is duly constituted with proper balance of executive directors, non-executive directors, independent directors and woman director. The changes in composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Annexure to Directors' Report (contd.)

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days 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.

Majority decisions at the Board meetings were carried out unanimously.

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 there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

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.

For **B. K. BARIK & ASSOCIATES**

Company Secretaries

B. K. Barik

Practicing Company Secretary

C.P. No. 3897, FCS 5696

UDIN: : F005696D000409649

Place: Kolkata

Date: 30.05.2022

Annexure to Directors' Report (contd.)

Annexure "A"

To
The Members
M/s. KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED
HB-170, SECTOR-3, SALT LAKE,
KOLKATA-700 106

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 test basis to ensure that correct facts are reflected in Secretarial Records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the management 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 and standards is the responsibilities of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For B. K. BARIK & ASSOCIATES

Company Secretaries

B. K. Barik

Practicing Company Secretary

C.P. No. 3897, FCS 5696

UDIN: F005696D000409649

Place: Kolkata
Date: 30.05.2022

Management Discussion and Analysis Report

INDUSTRY REVIEW

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships. The economic impact of the COVID-19 pandemic in India has been largely disruptive. But India is gearing up for a strong economic recovery—several forecasters such as the International Monetary Fund expected growth to exceed 9% this fiscal. The Indian construction industry recorded growth of 17.1% in 2021, which was supported by a continued relaxation of restrictions and improving construction activity in the road and highways sector. In December 2021, the Ministry of Road Transport and Highways of India (MoRTH) announced investment worth INR 7 trillion for infrastructure projects to be spent over the next 2-3 years. The industry's growth will also be supported by the government's plan to significantly increase the stock of affordable housing units for low- and middle-income groups, under the 'Housing for All' program by 2022.

As per the Business wire report, according to the Q4 2021 Global Construction Survey, the construction industry in India is expected to grow by 16.5% to reach INR 42,127 billion in 2022.

The engineering and construction industry has significantly recovered from the 2020 recession, but it has also experienced multiple headwinds that are expected to persist. 2022 should be another rewarding but challenging year, and the industry looks poised to capture growth opportunities. Despite near-term challenges in specific construction sectors, India's medium to long-term growth story remains intact. The construction industry in India is expected to grow steadily over the next four quarters. The increase in global demand as the world economy recovers from pandemic and Russian -Ukraine war led to increase in crude prices, which also impacted the domestic economy. The government through various initiatives/reforms, inter-alia, deregulation of numerous sectors, simplification of process and privatization has helped in reducing the imbalance of demand and supply in the overall economy.

NITI Aayog expects the Indian real estate sector to reach a market size of \$1 trillion by 2030 and account for 13 percent of India's GDP by 2025. The real estate industry is already the third-largest sector to bring about economic growth, and the real estate industry is expected to continue its upward trajectory in 2022.

BUSINESS STRATEGY

Covid-19 has changed the world. It has sparked businesses all over to re-evaluate how they operate. The construction business has been no different. For many contractors, it has meant figuring out how to strategically work factoring in the needs of social distancing and use of PPE (Personal Protection Equipment) amidst the intermittent waves of the Pandemic.

As an aftermath of the Pandemic, various litigations that were pending at various courts of the country have been delayed. With a motive to end the pending contract litigations, your Company has been a proponent of amicable resolution of disputes and in that spirit initiated conciliation with NHAI for a long pending dispute and entered into a settlement against the arbitral award in the prior year and we have received an award from the arbitrator in the pending matter of KIDCO- NACC Consortium, a Joint Venture of the Company. The same was used for pre-payment portion of its debt obligations as well as meet other financial needs during this tough financial year.

Management Discussion and Analysis Report (contd.)

The other segment of the Company, the hotel business, has started to come back in track as tourists have started reaching the hotel, thereby initiating the recovery of this segment. In the prior year the Hotel Business saw minimal business due to lack of visitors and tourists owing to the fear of pandemic as well as intermittent lockdowns and other COVID-19 restrictions. Your Company has now started seeing growth from 2nd Quarter of 2021- 22.

Your Company has started to place bids for several construction contract tenders and continues to explore new business opportunities and is hopeful that it would be able to take up new construction sector projects in the near future.

SWOT ANALYSIS

- **Strength:**

Over the years, your company has undertaken development of various diverse construction projects due to which your Company enjoys good brand awareness and reputation, which would go a long way to boost business strategies and execution capabilities of your Company. The strong credentials help it to bid for various infrastructure projects.

Your Company's experience to manage large civil and electrical construction projects and the hotel business, gives it an edge over its competitors. Your Company has adequate land for expansion of the hotel facilities, which provide it with growth opportunities in its hotel segment. Your Company also has experienced, capable and highly qualified management teams who oversee and execute all aspects of project development.

- **Weaknesses:**

The availability of liquidity continues to serve as a key weakness of your Company. A major part of your Company's liquidity has been locked up in project disputes. Your Company is working actively to solve this by exploring out of court settlements on various litigated awards instead of long-drawn-out litigation at various forums. Ageing fleet of equipment also requires an overhaul. Your Company strives to achieve continuous upgradation of technologies to be competitive in the market.

Changes in any macroeconomic variables like GDP growth, interest rates, inflation, changes in tax, trade, fiscal and monetary policies etc. may adversely impact the Company's business, profitability and financial condition.

The recent slowdown in the economy due to the COVID pandemic may also impact the company's financials in the near term as COVID-19 pandemic has had a significant impact on the construction sector, which is sensitive to economic cycles.

- **Opportunities:**

The infrastructure sector is receiving continued focus from the government and as a result, the industry is expected to grow and with the Company's strength and experience in this field, your Company feels that it would be effectively able to convert such opportunities into profitable project ventures. Your company's management is very hopeful that by capitalizing on its strength and overcoming the key weakness currently troubling the organization, new projects can be undertaken.

With infrastructure being among the major focus areas for the government, there lies immense scope for growth and hence opportunity for your Company to capitalize on them.

Management Discussion and Analysis Report (*contd.*)

Your Company possesses successful record of execution of projects. Our credentials will help us to bid for infrastructure projects and discussion are underway for new projects in order to put the Company back on a growth path.

- **Threats**

Some threats for an infrastructure company are beyond its control such as industry slowdown due to difficult economic times. While the management of your Company is confident of creating and exploiting the opportunities, it also faces various challenges such as unanticipated delays in project approvals, growth in auxiliary infrastructure facilities, concern due to ongoing pandemic situation, etc.

The Indian real estate sector is still highly unorganized with lots of middlemen and depressed demand. Rising prices of key raw materials with a larger focus on cash and carry and reduced trade credit also has been putting pressure on the cost of projects and profit margins.

The long-drawn-out sanction procedure is also a significant challenge. Project approvals in India range from days to years due to the absence of a single-window clearance option, which results in time and cost escalations.

Another key threat is the liquidity crisis or any adverse move by the banking sector towards the lending policy on the real estate loans that adversely impacts the execution of the projects and increases the cost of borrowing.

At Company level, the threat of overturning litigation awards in favor of respondents whose counter claims had been rejected earlier, adverse tax litigation orders and prolonged appeals process which would keep liquidity locked in; pose as a continued threat. To mitigate the same, your Company is trying to enter into amicable out of court settlement for several such litigations while keeping highly skilled legal professionals engaged to handle the various cases.

DISCUSSION ON FINANCIAL PERFORMANCE OF THE COMPANY

Revenue

For the financial year ended 31st March, 2022, your Company's revenue stood at Rs. 16.28 Lakhs as against Rs. 753.52 Lakhs in the previous year. Previous year's numbers include settlement with National Highways Authority of India in relation to an arbitral award which was pending adjudication in the Hon'ble Calcutta High Court.

Expenditure

Your Company's total expenditure comprising of contract & site expenses, employee benefit cost, depreciation, material consumed including other expenses was Rs. 261.77 Lakhs for year ended 31st March, 2022 as compared to Rs. 382.36 Lakhs in the previous year.

Interest

Interest expenses stood at Rs. 58.39 Lakhs and the previous year's figure was Rs. 75.77 Lakhs.

Profit before Tax (PBT)

PBT was Rs. 46.14 Lakhs for the current year as compared to Rs. 371.16 Lakhs in the previous year. Profit before tax for previous year include income recognized as a result of the settlement reached with National Highways Authority of India with respect to the arbitral award received by the company.

Profit after tax

Your Company's profit after tax was Rs. 6.33 Lakhs for the year ended March 31, 2022 from Rs. 0.28 Lakhs in the previous year.

Management Discussion and Analysis Report (contd.)

EPS

The earnings per share for the current year is Rs. 0.02 as compared to NIL per equity share in the previous year.

Consolidated Financial Statements

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/ Associate Companies/Joint Venture is given in Form AOC-1 and forms an integral part of this Report.

The results of the Company are consolidated with subsidiaries, step down subsidiary and associates & JV. These Companies operate into two segments (i) broadly in Construction including roads, bridges and infrastructure development, housing development, renewable energy projects and (ii) Hotel.

Human Resources

Your Company considers its Human Resources as the most important organizational assets. It continually seeks to improve the efficiency and effectiveness of the people as its internal sources for maintaining a competitive advantage.

Your Company believes in fair and equitable treatment of its employees and continues to invest in their welfare.

Your Company maintains a cordial and informal working environment. Authority is delegated at all levels through a defined system of the scope of work, responsibility and reporting structure which results in leaders being nurtured across the organizational structure. Employees are remunerated according to the prevailing industry standards. Your company also encourages its employees to undertake skill enhancement training programmes and to participate in the seminars organized by the external agencies related to the areas of their operations to keep honing their skills, both functional and attitudinal, leading to a low attrition rate.

Other Disclosures

National Stock Exchange of India Limited (NSE) vide letter dated April 13, 2021 imposed a fine of Rs. 8,85,000/- on the Company for non-compliance of regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 2020 and September, 2020 and the company has also paid the fine under protest. The Company has made several representation to NSE for waiver of fine. The matter is still pending with NSE.

Cautionary Statement

Statements in Management Discussion and Analysis Report describing the Company's objectives, expectations or predictions may be *forward-looking* within the meaning of applicable securities law and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include stiff competition leading to price-cuts, high volatility in prices of major inputs such as steel, cement, building materials, petroleum products, change in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

Report on Corporate Governance

[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to continue the practice of good corporate governance. We, at Kaushalya, recognize the importance of Good Corporate Governance, which is the tool of building strong and everlasting beneficial relationship with customers, suppliers, bankers and more importantly with the investors.

Corporate Governance is strongly driven by our values such as quality, commitment, customer orientation & integrity.

The Company's Corporate Governance conforms to all regulatory and legal requirements. The basic philosophy behind an endeavour towards better Corporate Governance is to enrich the value of stakeholders by achieving business excellence.

2. BOARD OF DIRECTORS

a) Composition and category of directors:

The Board of Directors, along with its Committees, provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholder's value. The Board effectively separates the functions of governance and management and balances deliverables.

The Board has an optimal mix of Executive and Non-Executive Directors, with right element of independence, who have considerable expertise in their respective fields.

As on March 31, 2022, the Board consists of Six (6) Directors, half of which are Non-Executive Independent Directors.

The composition of the Board is in conformity with the Listing Regulation and Companies Act, 2013 and the members on the Board are classified and categorized as under:

Name of Directors & DIN	Business relationship	Category of Directorship	No. of Directorships in other Public Limited Companies as on March, 2022*	No. of Committee positions held in other Public Companies as on March, 2022**		No. of Board Meeting attended	Attendance at the last AGM	No. of shares held
				Chairman	Member			
Mr. Mahesh Mehra 00086683	Whole-time Director	Promoter Executive	-	-	-	5	YES	48,110
Mrs. Minoti Nath 07017530	Director	Independent Non-Executive	1	-	1	5	YES	-
Mr. Sandip Sarkar 08527653	Director	Independent Non- Executive	-	-	-	5	YES	-
Mr. Ram Krishna Mondal 02065330	Director	Non-Independent Executive	-	-	-	3	NO	-
Mr. Tarak Nath Mishra 08845853	Whole-time Director	Non-Independent Executive	-	-	-	4	YES	1,500
Mr. Sanjay Lal Gupta 08850306	Whole-time Director	Non-Independent Executive	-	-	-	5	YES	50

Report on Corporate Governance (*contd.*)

- * *Other Directorship, other than Kaushalya Infrastructure Development Corporation Limited and does not include alternate Directorship, Directorship of private Companies, Section 8 Companies and of other Companies incorporated outside India.*
- ** *Includes the Membership/Chairmanship of only Audit Committee and Stakeholders Relationship Committee.*

Notes:

- i. None of the Directors of Board is a member of more than ten Committees and no Director is Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.
- ii. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per section 2(77) of Companies Act, 2013 read with rule 2014, none of the Directors are in any way related to any other Director.
- iii. None of the Independent Director of the Company is holding position of Independent Director in more than 7 Listed Company. Further, none of the Director of the Company serving as a Whole-Time Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Company.

The Company has conducted familiarization programme for the Independent Directors of the Company. The details of familiarization programme are disseminated on the website of the Company at <http://www.kaushalya.net/INDEPENDENTDIRECTORS.pdf>

b) **Details of the attendance of Directors at the Board and last AGM:**

During the year 2021- 22, 5 (Five) Board Meetings were held on the following dates:

June 12, 2021, June 30, 2021, August 13, 2021, November 13, 2021 and February 14, 2022.

The Company has held at least one Board Meeting in every quarter and the time gap between two Board meetings did not exceed 120 days as prescribed under Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 and the Companies Act, 2013.

The previous Annual General Meeting of the Company was held on September 24, 2021 through two-way video conferencing (V.C)/ Other Audio-Visual Means (OAVM) facility.

The attendance record of each of the Directors at the Board Meetings held during the year 2021-22 and the last AGM are provided in the above table.

3. **BOARD COMMITTEES**

In compliance with the requirements under Regulation 18 to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable laws, the Company's Board of Directors constituted the following Committees:

Report on Corporate Governance (*contd.*)

I. Audit Committee

Audit Committee consist of 3 Directors out of which 2 are Independent Directors, according to the definition laid down in section 149 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee acts as a link between the statutory and internal auditors and the Board of Directors.

The brief terms of reference of Audit Committee are:

- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Review and monitor the auditor's independence and performance, and effectiveness of the audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever necessary;
- Evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- Review the functioning of the Whistle Blower/Vigil Mechanism;
- To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

The committee discussed the overall scope and plans for the independent audit with the Company's Auditors. Relying on the review and discussions conducted, the committee believes that the Company's financial statements are fairly presented in conformity with the applicable Accounting Standards IND AS. The committee also reviewed the financial policies of the Company and expressed its satisfaction with the same.

Based on the committee's discussion with the Auditors, its review of the representations of the Management and the report of the Auditors, the committee has recommended the following to the Board:

- The Audited Financial Statements (Standalone and Consolidated) of the Company and its Subsidiaries for the year ended March 31, 2022, prepared in accordance with the applicable Accounting Standards and in Indian Rupees, be accepted by the Board as a true and fair statement of the financial status of the Company.

Report on Corporate Governance (*contd.*)

Composition, Meeting and Attendance

The composition of the Audit Committee is in accordance with the requirement of Regulation 18 of the LODR and Section 177 of the Act. As on 31st March, 2022, the Committee comprised of 3 (Three) Directors out of which 2 (Two) are Independent Directors and 1 (One) Executive Director.

During the year ended 31st March, 2022, 5 (Five) Audit Committee meetings were held on June 12, 2021, June 30, 2021, August 13, 2021, November 13, 2021 and February 14, 2022. During the period under review, the Committee was re-constituted on February 14, 2022.

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

Sl. No.	Name of the Member	Designation	Category of Director	No. of Meetings	
				Held	Attended
1	¹ Mr. Sandip Sarkar	Chairman	Independent, Non-Executive	5	5
2	² Mr. Ram Krishna Mondal	Chairman	Independent, Non-Executive	5	0
3	Mrs. Minoti Nath	Member	Independent, Non-Executive	5	5
4	Mr. Mahesh Mehra	Member	Promoter-Executive	5	5

¹ *Mr. Sandip Sarkar ceased from the Chairmanship and Membership of Audit Committee w.e.f. February 14, 2022.*

² *Mr. Ram Krishna Mondal was appointed as the Chairman of the Audit Committee w.e.f. February 14, 2022.*

The Company Secretary acts as a Secretary to the Audit Committee.

II. Nomination and Remuneration Committee

The terms of reference of the Committee are in line with the requirements of the Act and Regulation 19 read with Part D of Schedule II to the Listing Regulations.

The brief terms of reference of the Committee include:

- Identify candidates who are qualified to become Directors and who may be appointed in senior management and recommend to the Board their appointment and removal;
- Formulate & recommend to the Board, the remuneration policy, for the Directors, Key Managerial Personnel and other employees;
- Determine the criteria for appointment including qualifications, positive attributes and independence of Board;
- Evaluate the performance of each Director and performance of the Board as a whole;
- Devising a policy on Board diversity;

Report on Corporate Governance (*contd.*)

- To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

As on 31st March, 2022, the Committee comprised of 3 (Three) Independent Directors. During the year ended 31st March, 2022, only 1 (One) meeting of Nomination and Remuneration Committee was held on February 14, 2022.

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

Sl. No.	Name of Members	Position	No. of Meetings	
			Held	Attended
1	Mr. Ram Krishna Mondal	Chairman, Independent, Non-Executive	1	1
2	Mr. Sandip Sarkar	Member, Independent, Non-Executive	1	1
3	Mrs. Minoti Nath	Member, Independent, Non-Executive	1	1

The Company Secretary acts as a Secretary to the Nomination & Remuneration Committee.

Remuneration Policy:

The Board of Directors of the Company has adopted a Nomination and Remuneration policy for its (i) Directors (Executive and Non-Executive), (ii) Key Managerial Personnel and (iii) Senior Management Personnel. The Nomination and Remuneration policy of the Company is available on http://www.kaushalya.net/KIDCO_NRP.pdf. The remuneration paid is within the limit specified under the Companies Act, 2013 read with its Rule & Schedule V and approved by the Board as well as by the shareholders of the Company.

a) Remuneration to Managing Director/Whole-time Director:

The appointment and remuneration of Executive Directors is governed by the recommendation of the Nomination and Remuneration Committee, Resolutions passed by the Board of Directors and Shareholders of the Company and Agreement executed between them and the Company. The remuneration package comprises of salary, perquisites and allowances, etc. as approved by the shareholders at the Annual General Meetings.

Remuneration paid to Executive Director of the Company during the Financial Year ended March 31, 2022 are detailed as under:

(Rs. In Lakhs)

Name of Director	Salary & Perquisites (₹)	Commission	Sitting Fees	Total	Period of Contract		Notice Period	No. of Shares held as on 31.03.2022
					From	To		
Mr. Mahesh Mehra	11.40	--	--	11.40	03.09.2022	02.09.2025	2 Months	48,110
Mr. Tarak Nath Mishra	<i>The details are provided in Part C of MGT-9.</i>							
Mr. Sanjay Lal Gupta								

Report on Corporate Governance (contd.)

b) Remuneration to Non- Executive & Independent Directors:

The Independent Directors are paid remuneration by way of sitting fees for each meeting of the Board or Committee as attended by them.

The Non-executive Directors are remunerated by way of sitting fees of Rs. 5,000/- for attending each Board of Directors meeting, Rs. 3,500/- for attending each Committee meeting and Independent Directors are remunerated for separate meeting of Independent Directors.

The details of sitting fees paid to the Non-Executive Directors during the Financial Year ended March 31, 2022 & their shareholding in the Company are detailed as under:

Sl. No.	Name of Directors	Category	Sitting fees (Rs.)		No. of shares held as on 31st March, 2022
			Board Meeting	Committee Meeting/ Separate Meeting of Independent Directors	
1	Mrs. Minoti Nath	Non-Executive, Independent	25,000/-	24,500/-	NIL
2	Mr. Sandip Sarkar	Non-Executive, Independent	25,000/-	24,500/-	NIL
3	Mr. Ram Krishna Mondal	Non-Executive, Independent	15,000/-	3,500/-	NIL

c) Remuneration to KMP and Senior Management employees:

The remuneration paid to the KMPs and Senior Management is recommended by the Nomination and Remuneration Committee and is then approved by the Board of Directors.

III. Stakeholders Relationship Committee

The Company has in place a Stakeholders’ Relationship Committee to provide quality and efficient services to the investors and to align and streamline the process of investor’s grievance, etc. during the year.

The brief terms of reference of the committee are:

- Resolving the grievances of security holders of the Company including Investors’ complaints;
- Approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/consolidation/renewal etc.;

Report on Corporate Governance (*contd.*)

- Redress the complaints regarding non-receipt of declared dividends, Notices, Annual Reports of the Company, dematerialization, re-materialization etc.;
- Carrying out any other function contained in the Listing Agreement/Listing Regulations, as amended from time to time; and
- To perform such other functions as may be necessary under any statutory or other regulatory requirements to be performed by the Committee and as delegated by the Board from time to time.

As on 31st March, 2022, the Committee comprised of 3 (Three) Directors out of which 2 (Two) are Independent Directors and 1 (One) Executive Director. During the year ended 31st March, 2022, only 1 (One) meeting of Stakeholders' Relationship Committee was held on February 14, 2022. The composition and attendance of the members of the Stakeholders Relationship Committee are as follows:

Sl. No.	Name of the Member	Designation	Category of Director	No. of Meetings	
				Held	Attended
1	Mrs. Minoti Nath	Chairman	Independent, Non-Executive	1	1
2	Mr. Sandip Sarmar	Member	Independent, Non-Executive	1	1
3	Mr. Mahesh Mehra	Member	Promoter-Executive	1	1

The Company Secretary acts as the Secretary to the Stakeholders' Relationship Committee.

Compliance Officer

The Committee has delegated the authority to approve the requests for transfers/transmission, split and re-mat/de-mat of shares to the Company Secretary & Compliance Officer. The Committee reviews the transfer/de-mat/re-mat approved by the Company Secretary, if any and take note thereof in their subsequent meeting.

As per the Regulation 13 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 with the Stock Exchanges, the Company has designated a separate E-mail ID info@kaushalya.net exclusively for redressal of investors' complaints. Adequate steps are taken for expeditious redressal of various aspects of interest of investors

The details of the complaints during the year 2021- 22, excluding correspondences that are not in the nature of complaints are given below:

Number of complaints received from the shareholders	0
Number of complaints redressed	0
Number of complaints not solved/pending	0

Report on Corporate Governance (*contd.*)

SEBI Complaints Redress System (SCORES)

The Company is also registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

The investor complaints in the SCORES are processed in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned Companies and online viewing by investors of actions taken on the complaint and its current status.

4. PERFORMANCE EVALUATION

The Board has carried out the evaluation of its own performance and of the Board Committees, viz. Audit Committee, Nomination and Remuneration Committee, and Stakeholders' Relationship Committee as well as evaluation of performance of Directors individually.

In terms with the Policy for Evaluation of the Performance of the Board of Directors of the Company, the Company conducted a formal Board Effectiveness Review, as part of its efforts to evaluate the performance of the Board and identify areas that need improvement, in order to enhance the effectiveness of the Board, its Committees, and Individual Directors. This was in line with the requirements of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the performance evaluation criteria for Independent Directors included a check on their fulfillment of the independence criteria and their independence from the management.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Nomination & Remuneration Committee also carried out evaluation of every Director's performance. The Directors expressed their satisfaction with the evaluation process.

5. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year ended 31st March, 2022, the Independent Directors met on February 14, 2022 *inter alia*,

- i. to review performance of non-independent Directors & the Board as a whole,
- ii. to review performance of the KMP of the Company, and
- iii. to assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

Report on Corporate Governance (*contd.*)

6. GENERAL BODY MEETING

a) The following are the details of last three AGM of the Company:

Financial Year	Date	Time	Venue	Special Resolution (s) Passed, if any
2020- 2021	September 24, 2021	02.00 P.M	Through two-way video conferencing (V.C)/ Other Audio Visual Means (OAVM)	NO
2019- 2020	September 28, 2020	02.00 P.M	Through two-way video conferencing (V.C)/ Other Audio-Visual Means (OAVM)	NO
2018-2019	September 30, 2019	10.30 A.M	“Aikatan”, EZCC, IA-290, Sector-III, Salt Lake, Kolkata - 700 097	Yes

No Extra Ordinary General Meeting was held during the last 3 years.

b) Details of Special Resolutions passed in the previous three AGMs:

Financial Year	Date	No. of Special Resolutions passed	Details of Special Resolution
2020- 2021	September 24, 2021	NIL	NA
2019- 2020	September 28, 2020	NIL	NA
2018-2019	September 30, 2019	1	Re-appointment of Mrs. Minoti Nath (DIN-07017530), as Independent Director for second term of five years.

c) Postal Ballot:

No Special resolution(s) were passed through Postal Ballot during the FY 2021 – 22 and no special resolution is proposed to be conducted through postal ballot at the AGM to be held on September 27, 2022.

8. DISCLOSURES

i. The required statements/disclosures with respect to the related party transaction are placed before the Audit Committee.

The Company does not have any related party transactions, which may have potential conflict with the interests of the Company at large. However, disclosure as per Indian Accounting Standard 24 is set out in the Notes to Accounts, forming part of the Annual Report. The Company has disclosed the policy on dealing with the related party transactions on its website at <http://www.kaushalya.net/KIDCORELATED.pdf>.

Report on Corporate Governance (contd.)

- ii. The Company has followed the prescribed guidelines of IND AS in preparation of its financial statements.
- iii. The Company has laid down Risk Assessment and Minimization procedures and the same is periodically reviewed by the Board. Further, the Company has adequate internal control systems to identify the risk at appropriate time and to ensure that the executive management controls the risk through properly defined framework.
- iv. The Company has complied with the requirements of regulatory authorities on capital markets.
- v. The Company has complied with all the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has submitted the quarterly compliance reports to the Stock Exchanges within the prescribed time limit.
- vi. **Subsidiary Information**

The Company is in compliance with the requirement of Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a material non-listed Indian subsidiary Company i.e. Bengal KDC Housing Development Limited (CIN- U70101WB2006PLC110153). The Company has also positioned, Mrs. Minoti Nath as Independent Director in Bengal KDC Housing Development Limited.

The Secretarial Audit Report given by M/s. B. K. Barik & Associates, Practicing Company Secretaries, for the financial year 2021- 22 of Bengal KDC Housing Development Ltd is annexed to the Directors' Report of Bengal KDC Housing Development Ltd. for the said financial year. The Minutes of the proceedings of meetings of the Board of Directors of subsidiary Companies are periodically placed before the Board of Directors of the Company and the attention of the Directors is drawn to significant transactions and arrangements entered into by the subsidiary Companies.

The Audit Committee reviews the financial statements of all the subsidiary Companies including the investment made by the Company. The Minutes/ Resolutions of the Board Meetings of all the Subsidiary Companies (including the step-down Subsidiary Company) are placed before the Board periodically. The management periodically reviews a statement of all significant transactions, if any, entered into by all the subsidiary Companies.

- vii. The Management Discussion and Analysis Report forms a part of the Annual Report and includes various matters specified under the Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- viii. The CEO/CFO Certificate has been placed before the Board at their meeting held on August 13, 2022 in compliance with SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 was duly signed by the Managing Director/CEO and CFO.
- ix. The Statutory Auditor Certificate, with respect to compliance of SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 relating to Corporate Governance, has been annexed to the Directors' Report and will be sent to the Stock Exchanges at the time of filing the Company's Annual Report.
- x. The Company has laid down procedures to inform Board Members about the Risk Assessment and minimization procedure, which are periodically reviewed by the Board.

Report on Corporate Governance (*contd.*)

- xi. Details of Directors seeking Appointment/Re-appointment at the ensuing Annual General Meeting as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Notice convening the Annual General Meeting.
- xii. As stipulated by SEBI, a Reconciliation of Share Capital Audit is carried out by an independent Practicing Company Secretary, Md. Shahnawaz (Membership No. 21427, C.P. No. 15076) on quarterly basis to confirm reconciliation of the issued and listed capital, shares held in dematerialized and physical mode and the status of the register of members.
- xiii. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor.

Details relating to fees paid to the Statutory Auditors are given in Notes 31.1 to the Standalone Financial Statements and Notes 35.1 to the Consolidated Financial Statements.

- xiv. A Certificate from a Company Secretary in Practice that none of the directors on the board of the company as on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. A Certificate of Company Secretary in practice is annexed herewith as a part of the report.

Other items which are not applicable to the Company have not been separately commented upon.

9. CODE OF CONDUCT AND ETHICS AND INSIDER TRADING

The Company has adopted a Code of Conduct and Ethics (Code) for the members of Board of Directors and Senior Management Personnel of the Company. The essence of the code is to conduct the business of the Company in an honest, fair and ethical manner, in compliance with applicable laws and in a way that excludes considerations for personal advantage. All Directors and Senior Management personnel have affirmed compliance with the code and a declaration to this effect, signed by the Executive Director, is attached to this report.

COMPLIANCE WITH CODE OF BUSINESS CONDUCT AND ETHICS

To,
The Members of
Kaushalya Infrastructure Dev. Corp. Ltd.

In accordance with Regulation 17(5)(a) and 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management Personnel of the Company have confirmed compliance with the Code of Business Conduct and Ethics for the financial year ended 31st March, 2022.

For **Kaushalya Infrastructure Dev Corp Ltd**

Place: Kolkata
Date: August 13, 2022

Mahesh Mehra
Whole-time Director
DIN-00086683

Report on Corporate Governance (*contd.*)

10. MEANS OF COMMUNICATION

All vital information relating to the Company and its performance, including quarterly results, its shareholding data, etc. are posted on the website of the Company. The Company's website address is www.kaushalya.net.

The quarterly and annual results of the Company's performance are published in leading English daily i.e. Business Standard and regional language daily i.e. Arthik Lipi.

The quarterly results of the Company are also available on the websites of BSE Limited and National Stock Exchange of India Limited, viz. www.bseindia.com and www.nseindia.com respectively. The Company files the quarterly results, Corporate Governance report, Shareholding pattern etc. electronically with BSE Limited and National Stock Exchange of India Limited, through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS), respectively.

11. GENERAL SHAREHOLDERS INFORMATION

➤ Annual General Meeting

Date and Time: 27th September, 2022 at 2.00 P.M.

Venue: The meeting for F.Y. 2021-2022 will be conducted by way of two-way video conferencing (V.C)/ Other Audio Visual Means (OAVM) facility, ("OAVM"). The venue of the meeting shall be deemed to be the registered office of the company at HB-170, Sector-III, Salt Lake, Kolkata – 700 106

➤ Book Closure Date

21st September, 2022 to 27th September, 2022 (both days inclusive) on account of this AGM.

➤ Corporate Identity Number

The Company is registered in the State of West Bengal, India. The Corporate Identity Number (CIN) allotted to the Company by Ministry of Corporate Affairs (MCA) is L51216WB1992PLC055629 and our Company is registered within the jurisdiction of the Registrar of Companies, Kolkata, West Bengal.

➤ Financial Year

The financial year of the Company is from 1st April, 2021 to 31st March, 2022.

➤ Financial year calendar for 2022-23

<i>Particulars</i>	<i>Tentative Schedule*</i>
Results for the quarter ending 30th June, 2022	Disclosed on August 13, 2022 (Subject to Limited Review)
Results for the quarter ending 30th September, 2022	On or before November 14, 2022 (Subject to Limited Review)
Results for the quarter ending 31st December, 2022	On or before February 14, 2023 (Subject to Limited Review)
Results for the quarter/year ending 31st March, 2023	On or before May 30, 2023 (Audited)

* *Tentative and subject to change.*

Report on Corporate Governance (*contd.*)

➤ Listing of Equity Shares on Stock Exchanges

- i) National Stock Exchange of India Ltd.
Exchange Plaza, Bandra – Kurla Complex,
Bandra (E) Mumbai- 400 051
- ii) BSE Ltd.
PJ Towers, Dalal Street,
Mumbai- 400 001.

➤ Stock Code

<u>Exchange</u>	<u>Code</u>
National Stock Exchange of India Limited	KAUSHALYA
BSE Limited	532925

➤ Listing Fees

Listing fee for the year 2021- 22 is payable to the National Stock Exchange of India Ltd. and BSE Ltd. where the Company's equity shares are listed.

➤ Depositories

- i) National Securities Depository Ltd.
Trade World, 4th Floor, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel, Mumbai 400 003
- ii) Central Depository Services (India) Ltd.
Phiroze Jeejeebhoy Towers, 17th Floor,
Dalal Street Mumbai 400 023

➤ ISIN No. for the Company

The shares of the Company are currently traded only in dematerialized form and the Company has entered into agreements with the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is **INE234I01010**.

3,46,30,070 Equity Shares of the Company representing 99.99% of the Company's Equity Share Capital are dematerialized as on March 31, 2022.

Report on Corporate Governance (contd.)

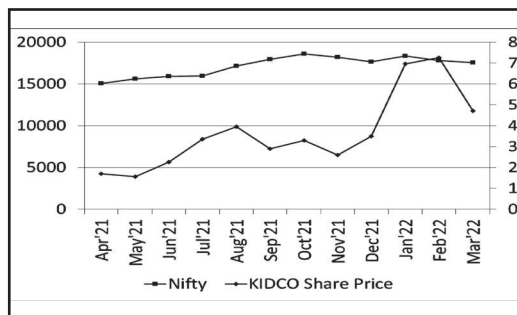
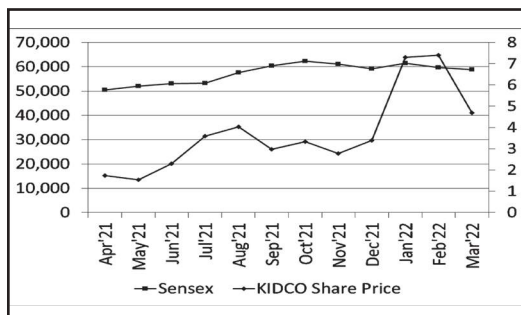
➤ **Market price data**

Monthly high, low quotations and trading volumes of the Company’s equity shares (Face Value of Rs 10/- each) during the financial year 2021-22 at BSE and NSE are noted below:

Months	BSE Ltd			National Stock Exchange of India Ltd.		
	High	Low	Volume	High	Low	Volume
April, 2021	1.74	1.2	57,420	1.7	1.35	104,320
May, 2021	1.53	1.21	108,750	1.55	1.25	126,360
June, 2021	2.3	1.52	335,380	2.25	1.55	298,730
July, 2021	3.59	1.97	618,080	3.35	1.95	389,740
August, 2021	4.03	2.47	588,710	3.95	2.5	713,750
September, 2021	2.97	2.39	166,340	2.9	2.35	783,910
October, 2021	3.34	2.28	233,010	3.3	2.35	318,960
November, 2021	2.77	2.15	102,640	2.6	2.2	136,580
December, 2021	3.39	2.08	365,210	3.5	2.1	370,820
January, 2022	7.29	3.41	2,878,360	6.95	3.45	2,206,930
February, 2022	7.4	3.35	516,830	7.25	3.3	1,243,830
March, 2022	4.68	3.06	437,450	4.7	3.1	1,044,560

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

Performance of the Company in comparison with broad based indices



Report on Corporate Governance (*contd.*)

➤ Registrar and Share Transfer Agent

M/s CB Management Services (P) Limited

P-22, Bondel Road, Kolkata-700019

Ph: +91 33 40116700, 2280 6692/93/94/2486; Fax: +91 33 2287 0263

Email: rta@cbmsl.com

Website: www.cbmsl.com

➤ Share Transfer System

Request for transfer of Equity Shares held in physical form may be lodged with M/s. CB Management Services (P) Limited, Kolkata or may be sent to the Company Secretary at the registered office of the Company at Kolkata.

Share transfers are registered and returned within 15 days from the date of lodgment, provided documents are complete in all respects.

➤ Shareholding pattern as on March 31, 2022

Category	No. of Shares held	% of shareholding
Promoters & Promoters Group	17,806,474	51.42
Financial Institutions / Banks	800	0.00
Bodies Corporate	2,622,576	7.57
Non-Resident Indians	268,501	0.78
Clearing Members	34,927	0.10
Resident Individuals	13,897,352	40.13
Total	34,630,630	100.00

➤ Distribution of Shareholding

The distribution of shareholding of the Company as on March 31, 2022 is noted below:

Range of Holding	No. of Shareholders	% on total no. of Shareholders	No. of Shares	% on issued shares
1 - 500	17,093	79.63	2,546,423	7.35
501 - 1000	1,962	9.14	1,680,377	4.85
1001 - 2000	1,120	5.22	1,775,394	5.13
2001 - 3000	398	1.85	1,031,634	2.98
3001 - 4000	196	0.91	710,328	2.05
4001 - 5000	227	1.06	1,087,322	3.14
5001 - 10000	282	1.31	2,121,703	6.13
10001- 50000	160	0.75	2,965,959	8.56
50001 - 100000	14	0.07	961,325	2.78
100001 and above	13	0.06	19,750,165	57.03
Total	21,465	100.00	34,630,630	100.00

Report on Corporate Governance (contd.)**➤ Outstanding convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ ADRs/Warrants or any Convertible instruments.

➤ Address for Correspondence

For any assistance, queries regarding transfer or transmission of shares, dematerialization, non-receipt of dividend, non-credit of shares in de-mat account and any other query relating to the shares of the Company and Annual Report, the shareholders may write to the following:

i) Company Secretary

Mr. Sanjay Lal Gupta

M/s Kaushalya Infrastructure Development Corporation Ltd.

CIN-L51216WB1992PLC055629

HB- 170, Sector – III, Salt Lake, Kolkata – 700 106

Tel: 033 2334 4148

E –mail: info@kaushalya.net

Website: www.kaushalya.net

ii) Registrar and Share Transfer Agent

M/s. CB Management Services Private Limited

P-22, Bondel Road, Kolkata-700019

Ph: +91 33 40116700, 2280 6692/93/94/2486; Fax: +91 33 2287 0263

Email: rta@cbmsl.com

Website: www.cbmsl.com

For and on behalf of the Board

Dated: 13th August, 2022

Registered office:

HB-170, Sector-III, Salt Lake,

Kolkata-700106

CIN-L51216WB1992PLC055629

Mahesh Mehra

DIN : 00086683

Whole-time Director

Sanjay Lal Gupta

DIN-08850306

Whole-time Director &
Company Secretary

Report on Corporate Governance (*contd.*)

CEO AND CFO CERTIFICATION

To
The Members of,
Kaushalya Infrastructure Dev. Corp. Ltd.
CIN: L51216WB1992PLC055629
HB-170, Sector-III, Salt Lake,
Kolkata-700 106

We, Mahesh Mehra, Executive Director & Whole-time Director and Tarak Nath Mishra, Whole-time Director & Chief Financial Officer to the best of our knowledge and belief certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company 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 they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year; and
 - (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Kolkata

Dated: August 13, 2022

Mahesh Mehra
Executive Director &
Whole-time Director

Tarak Nath Mishra
Whole-time Director &
Chief Financial Officer

Report on Corporate Governance (contd.)**Auditors' Certificate on Corporate Governance**

To
The members of
Kaushalya Infrastructure Development Corporation Limited

1. This certificate is issued in accordance with the terms of our engagement letter.
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2022, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the year ended 31st March, 2022.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Barkha & Associates

Chartered Accountants
Firm Registration No. 327573E

CA Barkha Agarwal

Partner

Membership No. 301636

UDIN: : 22301636APKGMR3758

Place: Kolkata

Date: August 13, 2022

Report on Corporate Governance (*contd.*)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018)

To
The Members of,
Kaushalya Infrastructure Dev. Corp. Ltd.
CIN: L51216WB1992PLC055629
HB-170, Sector-III, Salt Lake,
Kolkata-700 106

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kaushalya Infrastructure Development Corporation Limited having Corporate Identity Number: L51216WB1992PLC055629 and having registered office at HB- 170, Sector-III, Salt Lake, Kolkata- 700106. (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule-V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company for the financial year ending on March 31, 2022, have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority. Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our test check basis 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.

Place: Kolkata
Date: 13-08-2022

B. K. Barik
B. K. Barik & Associates
Practicing Company Secretary
C.P. No.: 3897, FCS: 5696
UDIN: F005696D000831719

Standalone Financials

Independent Auditors' Report

To the Members of

KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

Report on the Standalone Ind AS Financial Statements

OPINION

1. We have audited the accompanying standalone financial statements of **KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED** ('the Company'), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. 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 period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the 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.

When we read the Annual Report, if

Independent Auditors' Report (*contd.*)

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

6. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, the Board of Directors are 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 Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system with

Independent Auditors' Report (*contd.*)

- reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the Company to express an opinion on the financial statements.
11. 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.
 12. 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.
 13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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**
14. In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
 15. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 16. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - 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 standalone financial statements dealt with by this report are in agreement with the books of account;

Independent Auditors' Report (*contd.*)

- d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2022 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed an unmodified opinion; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, as detailed in notes to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2022;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2022;
 - iv. The management has represented that, to the best of its knowledge and belief, as disclosed in notes to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - v. The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accompanying standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - vi. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement
 - vii. The Company has not declared or paid any dividend during the year ended 31 March 2022.

For Barkha & Associates
Chartered Accountants
Firm Regn. No. 327573E

CA Barkha Agarwal
Partner
Membership No.301636

UDIN: 22301636AJWGUK5586

Place: Kolkata

Date: 30th May, 2022

Annexure “A” to Independent Auditors’ Report (*contd.*)

Annexure A referred to in Paragraph 16 of the Independent Auditor’s Report of even date to the members of KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED, on the standalone financial statements for the year ended 31 March 2022

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 report that:

- i) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, right of use assets and investment property.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular program of physical verification of its property, plant and equipment, right of use assets and investment property under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain property, plant and equipment, right of use assets and investment property were verified during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (including investment properties) held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment and Right of Use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i) (e) of the Order is not applicable to the Company.
- (ii)(a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties, if any.
- (b) The Company doesn’t have a working capital limit in excess of five crores sanctioned by a bank based on the security of current assets.
- (iii)(a) The Company has not provided a loan to any of its subsidiary company.
- (b) The Company has not provided any guarantee or given any security or advances in the nature of loans during the year. In our opinion, and according to the information and explanations given to us, the investments made and terms and conditions of the grant of all loans provided are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments/ receipts of principal and interest are regular.

Annexure “A” to Independent Auditors’ Report (*contd.*)

- (d) There is no overdue amount in respect of loans granted to such companies.
- (e) The Company has not granted any loan which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans.
- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of investments and loans, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company’s business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- (vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for the ones given in point number xxii.
- (viii) According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- (ix)(a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year or in any previous year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on an overall

Annexure “A” to Independent Auditors’ Report (*contd.*)

- 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.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x)(a) In our opinion and according to the information and explanations given to us, money raised by way of initial public offer were applied for the purposes for which these were obtained.
- (b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x) (b) of the Order is not applicable to the Company.
- (xi)(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
- (b) No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv)(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as required under section 138 of the Act which is commensurate with the size and nature of its business.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi) (a), (b) and (c) of the Order is not applicable to the Company.
- (b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) doesn’t have any CIC as part of the Group.
- (xvii) The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the plans of the Board of

Annexure “A” to Independent Auditors’ Report

Directors and management, 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

(xxii)

Name of the statute	Nature of dues	Gross Amount (in Lakhs)	Amount paid under Protest (in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	16.34	-	Assessment Year 2004-05	Appeal filed before CIT (Appeals)
Income Tax Act, 1961	Income Tax	48.05	-	Assessment Year 2009-10	I.T. Appellate Tribunal dismissed and company will pay
Income Tax Act, 1961	Income Tax	73.72	-	Assessment Year 2010-11	I.T. Appellate Tribunal dismissed and company will pay
Income Tax Act, 1961	Income Tax	1,109.17	-	Assessment Year 2012-13	CIT (Appeals)
Income Tax Act, 1961	Income Tax	449.20	-	Assessment Year 2013-14	I.T. Appellate Tribunal
Income Tax Act, 1961	Income-tax	734.86	-	Assessment Year 2014-15	CIT (Appeals)
Income-tax Act, 1961	Income-tax	0.05	-	Assessment Year 2017-18	CIT (Appeals)
Income-tax Act, 1961	Income-tax	2.43	-	Assessment Year 2018-19	CIT (Appeals)
WBVAT Act, 2003	VAT	817.10	-	Financial Year 2007-08	W.B. Taxation Tribunal
WBVAT Act, 2003	VAT	69.48	-	Financial Year 2008-09	Writ petition filed in Kolkata High Court

discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause (xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Barkha & Associates

Chartered Accountants

Firm Regn. No. 327573E

CA Barkha Agarwal

Partner

Membership No. 301636

UDIN: 22301636AJWGUK5586

Place: Kolkata

Date: 30th May, 2022

Annexure “B” to Independent Auditors’ Report (contd.)**Independent Auditor’s Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)**

1. In conjunction with our audit of the standalone financial statements of KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED (‘the Company’) as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company’s Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company’s business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India

(‘ICAI’) prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (‘the Guidance Note’) issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company’s internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s

Annexure “B” to Independent Auditors’ Report

internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and 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 with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the standalone financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Barkha & Associates
Chartered Accountants
Firm Regn. No. 327573E

CA Barkha Agarwal
Partner

Place: Kolkata
Date: 30th May, 2022

Membership No. 301636
UDIN: 22301636AJWGUK5586

Balance Sheet as at 31st March, 2022

(₹ in lakhs)

Particulars	Notes	As at <u>31.03.2022</u>	As at <u>31.03.2021</u>
(I) ASSETS			
(1) Non-current assets			
a) Property, plant and equipment	4	101.01	129.00
b) Investment property	5	266.07	266.07
		<u>367.08</u>	<u>395.07</u>
c) Investments in subsidiaries and associates	6	215.33	215.33
d) Financial assets			
i) Investments	6	4,860.23	5,204.98
ii) Loans	7	387.20	201.16
e) Deferred tax asset (net)	8	443.21	466.48
f) Income tax assets (net)	9	372.63	372.44
g) Other non-current assets	10	672.19	306.03
		<u>7,317.87</u>	<u>7,161.49</u>
(2) Current Assets			
a) Inventories	11	3.76	5.26
b) Financial assets			
i) Trade receivables	12	285.84	470.28
ii) Cash and cash equivalents	13	8.78	6.41
iii) Other balances with Bank	13	34.14	39.85
iv) Loans and advances	14	-	231.89
v) Other financial assets	15	4.73	4.32
c) Other current assets	16	16.00	9.71
		<u>353.26</u>	<u>767.72</u>
TOTAL ASSETS		<u>7,671.13</u>	<u>7,929.21</u>
(II) EQUITY AND LIABILITIES			
(1) Equity			
a) Equity share capital	17	3,463.06	3,463.06
b) Other equity	18	621.22	566.41
		<u>4,084.28</u>	<u>4,029.47</u>
(2) Non-current liabilities			
a) Provisions	19	8.46	8.46
		<u>8.46</u>	<u>8.46</u>
(3) Current liabilities			
a) Financial liabilities			
i) Borrowings	20	3,492.07	3,490.63
ii) Trade payables	21		
- Total outstanding dues to micro, small and medium enterprise		-	-
- Total outstanding dues to creditors other than micro, small and medium enterprise		57.93	57.92
iii) Other financial liabilities	22	25.79	25.79
b) Other current liabilities	23	2.59	316.94
		<u>3,578.38</u>	<u>3,891.28</u>
TOTAL EQUITY AND LIABILITIES		<u>7,671.13</u>	<u>7,929.21</u>

See accompanying notes forming part of the financial statements

As per terms of our report attached.

For and on behalf of the Board of Directors

For Barkha & Associates

Firm Regn. No. 327573E

Chartered Accountants

Barkha Agarwal

Partner

Membership No. 301636

Place : Kolkata

30th May, 2022

Mahesh Mehra	Tarak Nath Mishra	Sanjay Lal Gupta
Whole-time Director	Whole-time Director & CFO	Whole-time Director & Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	Notes	For the year ended 31.03.2022	For the year ended 31.03.2021
1) Revenue from operations	24	13.75	227.34
2) Other income	25	2.53	526.18
3) Total Income (1) + (2)		16.28	753.52
4) EXPENSES			
a) Cost of materials consumed	26	6.21	11.06
b) Changes in inventories of finished goods and work in progress	27	-	41.04
c) Employee benefits expense	28	35.34	21.64
d) Finance costs	29	58.39	75.77
e) Depreciation expense	30	27.83	38.38
f) Other expenses	31	134.00	194.47
Total Expenses (4)		261.77	382.36
(5) Profit/ (loss) before tax and exceptional items(3) - (4)		(245.49)	371.16
Exceptional Items	32	291.63	-
Profit before tax		46.14	371.16
(6) Tax Expense	33		
a) Current tax			
i) Current tax for current year		-	-
ii) Current tax for the earlier years		16.53	236.54
b) Deferred tax		23.27	134.34
Total tax expense (6)		39.81	370.88
(7) Profit/ (loss) for the year (5) - (6)		6.33	0.28
(8) Other comprehensive income			
a) Items that will be reclassified to statement of profit and loss		-	-
a) Items that will not be reclassified to statement of profit and loss		-	-
i) Changes in fair value of equity instruments		-	(0.13)
ii) Income Tax relating to items above		-	-
Total other comprehensive income (8)		-	(0.13)
(9) Total comprehensive income for the year (7) + (8)		6.33	0.15
(10) Earnings per equity share:			
(Face value of share of Rs 10 each)	34		
a) Basic		0.02	-
b) Diluted		0.02	-

See accompanying notes forming part of the financial statements

As per terms of our report attached.

For and on behalf of the Board of Directors

For Barkha & Associates

Firm Regn. No. 327573E

Chartered Accountants

Barkha Agarwal

Partner

Membership No. 301636

Place : Kolkata

30th May, 2022

Mahesh Mehra
Whole-time Director**Tarak Nath Mishra**
Whole-time Director
& CFO**Sanjay Lal Gupta**
Whole-time Director
& Company Secretary

Cash Flow Statement for the year ended 31st March, 2022

Particulars	(₹ in lakhs)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
A. Cash Flow from Operating activities:		
Profit/ (loss) before tax	46.14	371.16
<i>Adjustments for:</i>		
Depreciation expense	27.83	38.38
Loss on sale of shares	48.88	–
Loss Allowance for trade receivables	(20.86)	61.90
Finance cost	58.39	75.77
Interest income	(2.24)	(2.38)
Loss Allowance created/(reversed) on security deposits	16.75	(56.78)
Profit on sale of Property, plant and equipment	–	(0.39)
Liabilities/provision no longer required written back	(0.29)	(90.89)
Operating profit before working capital changes	174.59	396.77
<i>Adjustments for changes in operating assets/ liabilities</i>		
Inventories	1.50	41.04
Trade receivables	188.55	845.12
Loans and advances	45.85	197.27
Other non-current assets	(366.16)	(306.03)
Other current assets	(6.29)	(8.73)
Other financial assets	(0.41)	383.18
Trade Payables	0.01	(914.29)
Current financial liabilities	–	(30.62)
Other current liabilities	(314.35)	(44.15)
Cash generated from operations	(276.71)	559.56
Direct taxes refunded/ (paid)	(16.82)	(32.07)
Net cash generated from/ (used in) operating activities	(293.54)	527.49
B. Cash Flow from Investing activities:		
Proceeds/ (Repayment) in fixed deposit held as margin	5.71	(8.99)
Proceeds from sale of Investments in equity instruments	344.75	–
Proceeds from sale of Property, plant and equipment	0.16	15.01
Interest received	2.24	1.87
Net cash generated from/ (used in) investing activities	352.86	7.89

Cash Flow Statement for the year ended 31st March, 2022 (contd.)

Particulars	(₹ in lakhs)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
C. Cash Flow from Financing activities:		
Proceeds/ (Repayments) of current borrowings		
- From banks	(50.00)	(550.00)
- From group companies	51.44	14.51
Interest paid	(58.39)	(6.20)
Net cash generated from/ (used in) financing activities	(56.95)	(541.69)
Net increase/(decrease) in cash and cash equivalents	2.37	(6.31)
Cash and cash equivalents as at 1 April ¹	6.41	12.72
Cash and cash equivalents as at 31 March ¹	8.78	6.41

See accompanying notes forming part of the financial statements

1. Cash and cash equivalents represents cash, cheques on hand and balances with banks. (Refer Note. 13)
2. Interest accrued and converted into loan amounting to 69.57 lacs (P.Y. Rs. 61.19 lacs) being a non-cash item have not been considered above.
3. Figures in brackets represent outflows.

As per terms of our report attached.

For and on behalf of the Board of Directors

For Barkha & Associates

Firm Regn. No. 327573E

Chartered Accountants

Barkha Agarwal

Partner

Membership No. 301636

Place : Kolkata

30th May, 2022

Mahesh Mehra	Tarak Nath Mishra	Sanjay Lal Gupta
Whole-time Director	Whole-time Director & CFO	Whole-time Director & Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2022

A. Equity Share Capital

₹ in lakhs

(1) Current reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
3,463.06	-	3,463.06	-	3,463.06

(2) Previous reporting period

Balance at the beginning of the current reporting period	Changes in Equity Share capital due to prior period errors	Restated balance at the beginning of current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
3,463.06	-	3,463.06	-	3,463.06

B. Other Equity

₹ in lakhs

Statement of changes in Equity	Reserves and surplus		Retained earnings		Total Equity
	Security Premium	General Reserve	Investment Revaluation Reserve	Retained Earnings	
Balance at April 1, 2020	4,793.85	484.87	(208.99)	(4,503.47)	566.26
Profit/ (Loss) for the year	-	-	-	0.28	0.28
Other Comprehensive Income	-	-	(0.13)	-	(0.13)
Balance at March 31, 2021	4,793.85	484.87	(209.12)	(4,503.19)	566.41
Profit/ (Loss) for the year	-	-	-	6.31	6.31
Other Comprehensive Income	-	-	48.50	-	48.50
Balance at March 31, 2022	4,793.85	484.87	(160.62)	(4,496.88)	621.22

See accompanying notes forming part of the financial statements

As per terms of our report attached.

For and on behalf of the Board of Directors

For Barkha & Associates

Firm Regn. No. 327573E

Chartered Accountants

Barkha Agarwal

Partner

Membership No. 301636

Place : Kolkata

30th May, 2022

Mahesh Mehra
Whole-time Director

Tarak Nath Mishra
Whole-time Director
& CFO

Sanjay Lal Gupta
Whole-time Director
& Company Secretary

Notes forming part of the Financial Statements

1. General corporate information

Kaushalya Infrastructure Development Corporation Limited (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE'). The Company is primarily engaged in executing construction contracts relating to infrastructure, real estate developments, acquisition and development, and sale of land. The Company is also engaged in operating hotels.

The Company's services are limited to domestic markets only.

2. Application of new and revised Ind As

Ind ASs notified and effective from April 1, 2019.

3. Summary of significant accounting policies

3.01 Statement of compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 ('the Act'), as applicable.

3.02 Basis of preparation and presentation

This is the separate financial statement presented as per requirement of Ind AS 27 – Separate Financial Statements, those presented by a parent.

These separate financial statements of the Company are prepared under the historical cost except for certain financial instruments that are measured at fair value at end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated

using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In these separate financial statements, the fair value for measurement and/or disclosure purpose is determined on such basis except for leasing transactions that are within the scope of Ind AS 17 – Leases / Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of assets.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division II of Schedule III to the Companies Act, 2013. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 – Statement of Cash Flows. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Companies Act, 2013 are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian

Notes forming part of the Financial Statements (*contd.*)

Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

3.03 Use of Estimates

The preparation of separate financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the separate financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

3.04 Revenue recognition

The Company has following major sources of revenue;

3.04.01 Construction activities

Construction activities includes long-term contracts for construction of infrastructure facilities or projects priced on a time and material basis etc. Revenues from construction activities are recognised over time using percentage of completion method. Such percentage of completion is determined as a proportion of the cost incurred for work performed to date relative to the total estimated contract costs.

The Company follows the policy of recognizing the contract revenue as soon as the work is completed, irrespective of the certification. However, whenever the work gets certified, the Company takes the certified portion of the previously uncertified revenue and deducts the same amount from the uncertified portion of the revenue of the respective financial year.

Foreseeable losses on such contracts are recognized when probable using the most likely outcome or expected value method, as the case may be, in the particular circumstance.

3.04.02 Hotel Operations

Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and other services which is recognised once the rooms are occupied, food and beverages are sold and other services have been provided as per the contract with the customer.

3.04.03 Other services / activities

Revenues from agricultural activities is recognized at a point in time when the agricultural produce is sold to the customers.

Revenues from consultancy services are recognized overtime when such services are performed.

Revenue from hire charges are recognized overtime.

Revenues from maintenance contracts are recognized overtime when the maintenance services are provided to the customers.

3.04.04 Other Income

Interest: Interest income is recognized on time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

3.05 Employee Benefits

3.05.01 Short-term benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.

3.05.02 Defined retirement benefits

The cost of providing defined benefit retirement benefits are determined using the projected unit credit method. The Company provides gratuity benefits to its employees. Gratuity liabilities are not funded. Remeasurements, comprising actuarial gains and losses, return on plan assets excluding amounts included in net interest on the net benefit liability (asset) and any change in the effect of the asset ceiling (if applicable) are recognised in the balance sheet with a charge

Notes forming part of the Financial Statements (*contd.*)

or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in the comprehensive income are not reclassified to profit and loss but recognised directly in the retained earnings. Past service costs are recognised in profit and loss in the period in which the amendment to plan occurs. Net interest is calculated by applying the discount rate to the net defined liability or asset at the beginning of the period, taking into account of any changes in the net defined benefit liability(asset) during the period as a result of contribution and benefit payments.

Defined benefit costs which are recognised in profit and loss are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); and
- net interest expense or income; and

The retirement benefit obligation recognised in the separate financial statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reduction in future contributions to the plans.

The liability for termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

3.06 Taxation

i) Current tax

Current tax is the amount of tax payable on the taxable profit for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'Profit Before Tax' as reported in the Statement of Profit

and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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

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

Notes forming part of the Financial Statements (contd.)

iii) Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset in the balance sheet when there is convincing evidence that the Company will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Company.

iv) Current tax and deferred tax

Current tax and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively. The current and deferred tax arising from the initial accounting for business combination, are included in the accounting for the business combination.

3.07 Property, Plant and equipment

Land, buildings, Plant and equipment, Furniture and Fixtures, Vehicles, Office equipments held for use in the operations, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Company's accounting policy.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives, residual

values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in Statement of Profit and Loss.

Upto March 31, 2019, assets acquired under finance leases are depreciated over their expected useful lives on the same basis as owned asset. When there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Estimated useful lives of the assets are as follows:

Buildings	: 30 to 60 years
Plant and equipment	: 3 to 15 years
Furniture and Fixtures	: 10 years
Office Equipments	: 3 to 5 years
Computers	: 3 years
Motor Vehicles	: 5 to 8 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit and loss.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.08 Borrowing Costs

Borrowing cost attributable to the acquisition of qualifying assets is added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are

Notes forming part of the Financial Statements (*contd.*)

recognized as expenses in the period in which these are incurred.

3.09 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets (Other than goodwill) to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than the carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit and loss.

When an impairment loss subsequently reverses, the carrying value of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior years. Any reversal of an impairment loss is recognised immediately in profit and loss.

3.10 Inventories

Raw materials, stores and spares, finished goods, other construction materials and fuel are valued

at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non-refundable taxes and duties and other directly attributable costs incurred in bringing the goods/services to the point of sale. Work-in-progress is valued at cost.

Value of inventories are generally ascertained on the "FIFO" basis.

3.11 Provisions, Contingent liabilities and Contingent assets

3.11.01 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.11.02 Onerous contracts

An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Present obligation arising under onerous contracts are recognised and measured as provisions.

Notes forming part of the Financial Statements (*contd.*)

3.11.03 Contingent liabilities and assets

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. Contingent assets are neither recognised nor disclosed.

3.12 Leases

Upto March 31, 2019

Assets taken on lease by the Company had substantially all the risks and rewards of ownership are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. The Groups significant operating leasing arrangements are for premises (office, residence etc.). The leasing arrangements which normally have a tenure of eleven months to three years are cancellable with a reasonable notice, and are renewable by mutual consent at agreed terms. The aggregate lease rent payable is charged as rent in the Statement of Profit and Loss.

With effect from April 1, 2019

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all

lease agreements in which it is the lessee, except for short-term leases (leases with a lease term of 12 months or less) and leases of low value assets. For short term leases and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate, which is determined using the risk free rate for the same tenor adjusted for the credit risk associated with the lease, security etc. Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives; and any variable lease payments that are based on an index or a rate, initially measured using the index or rate at the commencement date. Lease payments to be made under reasonably certain extension options are also included in the measurement of lease liabilities.

Lease payments are allocated between the principal and finance cost. The finance cost is charged in the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated on straight-line basis over the period of lease term and useful life of the underlying asset, whichever is lower. If a lease transfers ownership of the

Notes forming part of the Financial Statements (*contd.*)

underlying asset or where it is reasonably certain that the Group will exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

3.13 Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are initially recognised and subsequently measured at cost less impairment loss, if any.

3.14 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in profit and loss.

3.15 Financial assets

All purchases or sales of financial assets which require delivery of assets within the time frame established by regulation or convention in the market place are recognised and derecognised on a trade date basis. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.15.01 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit and

loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit and loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Interest income is recognised in profit and loss for Fair value through other comprehensive income (FVTOCI) debt instruments. For the purpose of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus exchange differences on the amortised cost are recognised in profit and loss and other changes in the fair value of FVTOCI financial assets in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit and loss.

All other financial assets are subsequently measured at fair value.

3.15.02 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income

Notes forming part of the Financial Statements (*contd.*)

over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognised on effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in Statement of Profit and Loss and is included in the "Other income" line item.

3.15.03 Investments in equity instruments at FVTOCI

On initial recognition, the Company make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in the fair value of investments in equity instruments (other than investments held for trading) in other comprehensive income. These instruments are initially measured at fair value plus transaction costs. Subsequently they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for Equity through other comprehensive income'. On disposal of these investments the cumulative gain or loss is nor reclassified to profit and loss.

Dividends on these investments in equity instruments are recognised in profit and loss when the Company's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends are included as part of 'Other income' in the Statement of Profit and Loss.

3.15.04 Financial assets at fair value through profit and loss (FVTPL)

Financial assets which meets the criteria of financial assets held for trading are designated as

'Financial Assets at FVTPL'. The Company has derivatives that are not designated and effective as a hedge instrument which are designated as 'Financial Assets at FVTPL'. Financial assets at FVTPL are measured at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Statement Profit and Loss.

3.15.05 Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on trade receivables, other contractual rights to receive cash or other financial instruments. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risks on that financial instrument has increased significantly since initial recognition. If the credit risk on financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses.

If the Company measures the loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risks has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the

Notes forming part of the Financial Statements (*contd.*)

scope of Ind AS 11 and Ind AS 18, the Company always measures loss allowance at an equal to life time expected credit losses. For the purpose of measuring lifetime expected credit loss allowance for trade receivables the Company has used practical expedient as permitted under Ind AS 109. The expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

3.15.06 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of financial asset in its entirety, the difference between the asset's carrying amounts and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit and loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

3.16 Financial liabilities and equity instruments

3.16.01 Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and

the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

Repurchases of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

3.16.02 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss. The net gain or loss recognised in profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

3.16.03 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset

Notes forming part of the Financial Statements (contd.)

is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.16.04 Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying

amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement Profit and Loss.

3.17 Joint Venture Operations

In respect of contracts executed in Integrated Joint Ventures under profit sharing arrangement (assessed as AOP under Income tax laws), the services rendered to the Joint Ventures are accounted as income on accrual basis.

The profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the Joint Venture is reflected as investments, loans and advances or current liabilities.

3.18 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 36 months for real estate & infrastructure projects and 12 months for others for the purpose of classification of its assets and liabilities as current and non-current.

3.19 Rounding Off

The financial statements have been prepared in Indian Rupees (Rs) rounded off to two nearest decimal places in lakhs unless otherwise stated.

Notes forming part of the Financial Statements (contd.)

₹ in lakhs

	Freehold Building	Plant and Machinery	Furniture and fixtures	Motor Vehicles	Office equipments	Total
Cost or deemed cost						
Balance at April 1, 2020	78.50	272.69	1.75	0.67	0.26	353.87
Additions	-	-	-	-	-	-
Disposals	-	(103.71)	-	-	-	(103.71)
Balance at March 31, 2021	78.50	168.98	1.75	0.67	0.26	250.16
Additions	-	-	0.48	-	0.40	0.88
Disposals	-	(1.00)	-	(0.04)	-	(1.03)
Balance at March 31, 2022	78.50	167.98	2.23	0.63	0.66	250.00
Accumulated depreciation						
Balance at April 1, 2020	6.16	163.19	1.67	0.59	0.26	171.87
Depreciation expense	1.54	36.80	0.02	0.02	-	38.38
Disposals	-	(89.08)	-	-	-	(89.08)
Balance at March 31, 2021	7.70	110.91	1.69	0.61	0.26	121.17
Depreciation expense	1.54	26.20	0.04	0.02	0.04	27.83
Disposals	-	-	-	-	-	-
Balance at March 31, 2022	9.24	137.11	1.73	0.63	0.30	149.00
Carrying amount						
Balance at April 1, 2020	72.34	109.50	0.08	0.08	-	182.00
Additions	-	-	-	-	-	-
Disposals	-	(14.62)	-	-	-	(14.62)
Depreciation expense	(1.54)	(36.80)	(0.02)	(0.02)	-	(38.38)
Balance at March 31, 2021	70.80	58.08	0.06	0.06	-	129.00
Additions	-	-	0.48	-	0.40	0.88
Disposals	-	(1.00)	-	(0.04)	-	(1.03)
Depreciation expense	(1.54)	(26.20)	(0.04)	(0.02)	(0.04)	(27.83)
Balance at March 31, 2022	69.26	30.88	0.50	-	0.37	101.01

Note:

1. All the present and future property, plant equipments of the company are hypothecated to Alchemist Asset Reconstruction Company Limited.

Notes forming part of the Financial Statements (contd.)

	As at 31.03.2022 Rs in lakhs	As at 31.03.2021 Rs in lakhs
5 Investment property		
Investment in land		
Opening balance	266.07	266.07
Additions	-	-
Closing balance	<u>266.07</u>	<u>266.07</u>

Estimation of fair value

The Company's investment property consists of freehold land in Telengana and West Bengal, India. The fair value of the investment property is based on current prices for similar property. The main inputs used are quantum, area, location, demand, and trend of fair market value in the area.

The fair value is determined by an accredited independent valuer. Fair valuation is based on market approach method and categorised as Level 2 fair value hierarchy as at 31 March 2022 and 31 March 2021, the fair values of the property are 493 lakhs and 502 lakhs respectively.

	As at 31.03.2022			As at 31.03.2021	
	Amount Face value per share	Qty Nos.	Amount Rs in lakhs	Qty Nos.	Amount Rs in lakhs
6 Non-current investments					
(A) Investments in subsidiaries (carried at cost)					
Unquoted Investments (all fully paid)					
Investments in Equity Instruments of					
KDC Nirman Limited	10.00	1,02,000	10.20	1,02,000	10.20
Bengal KDC Housing Development Limited	10.00	1,02,000	10.20	1,02,000	10.20
Kaushalya Energy Private Limited	10.00	95,500	9.55	95,500	9.55
		<u>2,99,500</u>	<u>29.95</u>	<u>2,99,500</u>	<u>29.95</u>
		<u>2,99,500</u>	<u>29.95</u>	<u>2,99,500</u>	<u>29.95</u>
(B) Investments in associates (carried at cost)					
Unquoted Investments (all fully paid)					
Investments in Equity Instruments of					
Kaushalya Township Private Limited	10.00	3,17,357	155.08	3,17,357	155.08
Kaushalya Nirman Private Limited	10.00	46,000	19.40	46,000	19.40
Orion Abasaan Private Limited	10.00	29,000	10.90	29,000	10.90
		<u>3,92,357</u>	<u>185.38</u>	<u>3,92,357</u>	<u>185.38</u>
		<u>6,91,857</u>	<u>215.33</u>	<u>6,91,857</u>	<u>215.33</u>
(C) Investments					
Total Investments carrying value					
Investments in Equity Shares (carried at fair value through Other Comprehensive Income):					
Unquoted Investments (all fully paid)					
Investments in Equity Instruments of:					
Enlightened Projects Limited*	10.00	-	-	1,95,500	244.75
Orkay Engineering Limited*	10.00	8,53,000	266.05	8,53,000	266.05
Flare Realty Engineering Private Limited*	10.00	2,600	0.09	2,600	0.09
		<u>8,55,600</u>	<u>266.14</u>	<u>10,51,100</u>	<u>510.89</u>
Investments in Preference Shares of:					
Subsidiary					
Investments in 10% Non-cumulative Redeemable Preference Shares of:					
Bengal KDC Housing Development Limited	10.00	99,73,283	997.33	109,73,283	1,097.33
Associates					
Investments in 10% Non-cumulative Redeemable Preference Shares of:					
Kaushalya Township Private Limited	10.00	34,98,630	1,994.22	34,98,630	1,994.22
Kaushalya Nirman Private Limited	10.00	8,79,968	510.38	8,79,968	510.38
Orion Abasaan Private Limited	10.00	19,85,740	1,092.16	19,85,740	1,092.16

Notes forming part of the Financial Statements (contd.)

	As at 31.03.2022		As at 31.03.2021		
	Amount Face value per share	Qty Nos.	Amount Rs in lakhs	Qty Nos.	Amount Rs in lakhs
		163,37,621	4,594.09	173,37,621	4,694.09
		<u>171,93,221</u>	<u>4,860.23</u>	<u>183,88,721</u>	<u>5,204.98</u>
Aggregate amount of unquoted investments			<u>5,075.56</u>		<u>5,420.31</u>

* Although, the Company holds more than 20% of the shareholding of the above mentioned companies but does not have significant influence over the same, accordingly the company has applied Ind AS 109: Financial Instruments for recognition and measurement of investments in the above mentioned companies.

		As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
7 Loans (Non Current)			
(Unsecured considered good)			
Security deposits (carried at amortised cost)		1,143.12	1,075.51
Less: Loss allowance		(758.84)	(877.21)
Deposits with govt authorities		2.92	2.86
		<u>387.20</u>	<u>201.16</u>
8 Deferred tax assets (net)			
Deferred tax assets		452.87	481.88
Deferred tax liabilities		(9.96)	(15.40)
		<u>443.21</u>	<u>466.48</u>
For the year ended 31.03.2022	Opening balance	Recognised in	Closing Balance
	Rs in lakhs	profit and loss	Rs in lakhs
		Rs in lakhs	
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(15.40)	(5.74)	(9.66)
Brought forward tax losses	479.68	29.01	450.67
Provision for employee benefits	2.20	-	2.20
	<u>466.48</u>	<u>23.27</u>	<u>443.21</u>
For the year ended 31.03.2021			
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(22.11)	(6.71)	(15.40)
Brought forward tax losses	620.73	141.05	479.68
Provision for employee benefits	2.20	-	2.20
	<u>600.82</u>	<u>134.34</u>	<u>466.48</u>

Deferred tax asset has been recognised on brought forward tax losses in the current year and previous year. This is on account of the fact that recognition criteria of Deferred tax of has been met in light of the significant developments regarding restructuring of loans in the current year.

	As at 31.03.2022 Rs in lakhs	As at 31.03.2021 Rs in lakhs
9 Income tax assets (net of provision)		
At beginning of year	372.44	576.91
Advance tax paid / (refunded)	0.19	(484.39)
Provision offset against advance taxes	-	279.92
At end of year- Advance tax/ (Provision for Tax)	<u>372.63</u>	<u>372.44</u>

Notes forming part of the Financial Statements (contd.)

	As at 31.03.2022	As at 31.03.2021
	<u>Rs in lakhs</u>	<u>Rs in lakhs</u>
10. Other non-current assets		
Capital Advances	456.03	306.03
Advances to related parties	216.17	-
	<u>672.19</u>	<u>306.03</u>
11. Inventories (At lower of cost and net realisable value)		
a) Work in progress (At lower of cost and net realisable value)	-	-
b) Raw materials (At lower of cost and net realisable value)	3.76	5.26
	<u>3.76</u>	<u>5.26</u>
12. Trade receivables (Current)		
a) Unsecured, considered good	285.84	470.28
b) Unsecured, considered doubtful	1,242.24	1,263.10
Less: Allowance for Expected credit losses	<u>(1,242.24)</u>	<u>(1,263.10)</u>
	<u>285.84</u>	<u>470.28</u>

Trade receivables ageing schedule:

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed trade receivables - considered good	-	-	-	-	2.08	2.08
(ii) Undisputed trade receivables - significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	6.24	6.24
(iv) Disputed trade receivables - considered good	-	-	-	-	283.76	283.76
(v) Disputed trade receivables - significant increase in credit risk	-	-	-	-	613.68	613.68
(vi) Disputed trade receivables - credit impaired	-	-	-	-	622.31	622.31

	As at 31.03.2022	As at 31.03.2021
	<u>Rs in lakhs</u>	<u>Rs in lakhs</u>
Movement in the expected credit loss allowance		
Balance at beginning of the year	(1,263.10)	(1,200.00)
Expected credit loss allowance created on trade receivables (Net), calculated at lifetime expected credit losses	20.86	(61.90)
Balance at end of the year	<u>(1,242.24)</u>	<u>(1,263.10)</u>
13. Cash and bank equivalents		
a) Cash and cash equivalents		
i) Cash in hand	3.83	1.64
ii) Remittance in transit	-	-
iii) Balances with banks		
In current accounts	4.95	4.77
Total cash and cash equivalents	<u>8.78</u>	<u>6.41</u>
b) Other bank balances		
i) In deposit account (Unencumbered)	-	-
ii) In deposit account (held as Margin/against Earnest Money Deposit/Performance Security/Others)	34.14	39.85
Total other balances with bank	<u>34.14</u>	<u>39.85</u>
Total cash and bank balances	<u>42.92</u>	<u>46.26</u>
Included above		
i) Earmarked balance held as Margin/ against Earnest Money Deposit/Performance Security/Others	<u>34.14</u>	<u>39.85</u>

Notes forming part of the Financial Statements (contd.)

	As at 31.03.2022 Rs in lakhs	As at 31.03.2021 Rs in lakhs
14. Loans and advances (Current)		
a) Security Deposits	231.89	231.09
Less: Loss Allowance	(231.89)	–
b) Advance to staff	–	0.80
	<u>–</u>	<u>231.89</u>
15. Other financial assets (Current)		
a) Interest accrued on financial assets carried at amortised cost	4.73	4.32
b) Other receivables	–	–
	<u>4.73</u>	<u>4.32</u>
16. Other current assets		
a) Balances with government authorities	15.30	9.33
b) Other Advances	0.70	0.38
	<u>16.00</u>	<u>9.71</u>
17. Share capital		
Authorised:		
3,50,00,000 Equity Shares of Rs. 10 each	3,500.00	3,500.00
(as at March 31, 2021 : 3,50,00,000 Equity Shares of Rs. 10/- each)	<u>3,500.00</u>	<u>3,500.00</u>
Issued, Subscribed and fully paid up:		
3,46,30,630 Equity Shares of Rs. 10 each	3,463.06	3,463.06
(as at March 31, 2021 : 3,46,30,630 Equity Shares of Rs. 10/- each)	<u>3,463.06</u>	<u>3,463.06</u>

Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	For the year ended 31.03.2022		For the year ended 31.03.2021	
	No. of Shares	Amount Rs in lakhs	No. of Shares	Amount Rs in lakhs
Equity shares				
Issued, subscribed and fully paid up:				
At beginning and end of the year	346,30,630	3,463.06	346,30,630	3,463.06

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	%	No. of Shares	%
Mahanti Engineers Private Limited	50,82,600	14.68%	50,82,600	14.68%
Sun Kissed Merchandise Private Limited	50,22,900	14.50%	50,22,900	14.50%
Keleenworth Marketing Private Limited	43,36,350	12.52%	43,36,350	12.52%

Notes forming part of the Financial Statements (contd.)

Details of shareholding by promoters

<u>SL.No</u>	<u>Promoters Name</u>	<u>No. of shares</u>	<u>% of total shares</u>	<u>% change during the year</u>
1	Mahanti Engineers (P) Ltd.	53,07,600	15.33%	-
2	Sun Kissed Merchandise (P) Ltd.	50,22,900	14.50%	-
3	Keleenworth Marketing (P) Ltd.	43,36,350	12.52%	-
4	Prashant Mehra	9,17,760	2.65%	-
5	Ramesh Kumar Mehra (HUF)	8,38,000	2.42%	-
6	Rahul Mehra	3,92,434	1.13%	-
7	Mohini Mehra	1,54,600	0.45%	-
8	Pranav Mehra	1,34,410	0.39%	-
9	Kartik Mehra	1,12,000	0.32%	-
10	Anuradha Mehra	97,140	0.28%	-
11	Neeru Mehra	89,100	0.26%	-
12	Ramesh Kr. Mehra - Karta of Baijnath Mehra (HUF)	72,500	0.21%	-
13	Raghav Mehra	72,500	0.21%	-
14	Karan Mehra	60,740	0.18%	-
15	Mahesh Mehra	48,110	0.14%	-
16	Sidh Nath Mehra (HUF)	44,000	0.13%	-
17	Mahesh Mehra (HUF)	35,000	0.10%	-
18	Purnima Mehra	31,320	0.09%	-
19	Ramesh Kumar Mehra	30,010	0.09%	-
20	Pooja Mehra	10,000	0.03%	-
		178,06,474	51.43%	

Rights, preferences and restrictions attached to shares

Equity Shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

Notes forming part of the Financial Statements (contd.)

	As at 31.03.2022 Rs in lakhs	As at 31.03.2021 Rs in lakhs
18. Other Equity		
a) Securities premium	4,793.85	4,793.85
b) General reserve	484.87	484.87
c) Retained Earnings	(4,496.88)	(4,503.19)
d) Investment revaluation reserve	(160.62)	(209.12)
	621.22	566.41
a) Securities premium		
Balance as at the beginning and end of the year	4,793.85	4,793.85
	4,793.85	4,793.85
<p>Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013</p>		
b) General reserve - Balance brought forward		
Balance as at the beginning and end of the year	484.87	484.87
	484.87	484.87
<p>Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit 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 though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.</p>		
c) Retained earnings		
Balance as at the beginning of the year	(4,503.49)	(4,503.47)
Profit/ (loss) for the year	6.31	0.28
Balance as at the end of the year	(4,496.88)	(4,503.19)
<p>Retained Earnings are the profits and gains that the Company has earned till date and adjustments done on transition to Ind AS, less any transfer to general reserve, dividends or other distributions paid to shareholders.</p>		
d) Investment revaluation reserve		
Balance as at the beginning of the year	(209.12)	(208.99)
Changes during the year	48.50	(0.13)
Balance as at the end of the year	(160.62)	(209.12)
<p>The Company has elected to recognise changes in the fair value of certain investments in equity instruments in Other Comprehensive Income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to Retained Earnings when the relevant equity shares are derecognised.</p>		
19 Provisions		
a) Provision for employee benefits (Gratuity)	8.46	8.46
	8.46	8.46
20 Current Borrowings		
A. Secured - at amortised cost		
a) Repayable on demand		
– From banks	2,390.06	2,440.06
Total secured borrowings	2,390.06	2,440.06
B. Un Secured - at amortised cost		
a) Unsecured loans from group companies	1,102.01	1,050.57
Total unsecured borrowings	1,102.01	1,050.57
Total borrowings	3,492.07	3,490.63

Notes forming part of the Financial Statements (contd.)

	As at 31.03.2022 Rs in lakhs	As at 31.03.2021 Rs in lakhs
21. 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	57.93	57.92
Total trade payables	57.93	57.92

Details receivables ageing schedule:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	57.93	57.93
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Note:- The company does not have any outstanding dues to micro, small and medium enterprise for more than 45 days during the period and as on March 31, 2022 since it has not received any declaration/notice/letters from its creditors certifying or indicating them as Micro Small and Medium Enterprises.

22. Other financial liabilities		
Security Deposits	25.79	25.79
	25.79	25.79
23 Other Current Liabilities		
a) Advance received from customers	0.15	230.66
b) Advance from Joint Venture	-	84.00
c) Employee recoveries and employer's contributions	-	0.12
d) Statutory dues	2.44	2.16
Total other liabilities	2.59	316.94

For the year ended	For the year ended
31.03.2022	31.03.2021
Rs in lakhs	Rs in lakhs

24 Revenue from operations		
Revenue from contract with customers		
a) Contracts receipts#	-	214.16
b) Receipts from hotel	11.89	10.44
c) Revenue from agricultural business	1.86	2.74
Revenue from Operations	13.75	227.34
Revenue recognised at a point in time	13.75	13.18
Revenue recognised overtime	-	214.16

#Revenue from Contract receipts under Revenue from Contract with Customers for the year ended March 31, 2021, includes Rs. 209.23 lakhs relating to contract work (including cost escalations) on reaching out a settlement through conciliation and closure of the Arbitration with National Highways Authority of India (NHAI).

25. Other income		
a) Interest income on financial assets carried at amortised cost		
i) From fixed deposits	2.24	2.38
b) Liabilities/provision no longer required written back	0.29	90.89
c) Profit on sale of property, plant and equipment	-	0.39
d) Miscellaneous income#	-	432.52
Total other income	2.53	526.18

#Other income for the year ended March 31, 2021, includes Rs. 432.52 lakhs relating to delayed payment interest on reaching out a settlement through conciliation and closure of the Arbitration with National Highways Authority of India (NHAI).

Notes forming part of the Financial Statements (contd.)

	For the year ended 31.03.2022 Rs in lakhs	For the year ended 31.03.2021 Rs in lakhs
26 Cost of materials consumed		
Raw materials consumed		
Opening stock of material	5.26	5.26
Add: Purchases	4.70	11.06
	<u>9.96</u>	<u>16.32</u>
Less: Closing stock of material	3.76	5.26
Total cost of materials consumed	<u>6.21</u>	<u>11.06</u>
27 Changes in inventories of finished goods and work in progress		
Inventories at the beginning of the year		
Work-in-progress	-	41.04
	<u>-</u>	<u>41.04</u>
	<u>-</u>	<u>-</u>
Net (increase)/decrease in inventories	<u>-</u>	<u>41.04</u>
28 Employee benefits expense		
a) Salaries and wages, including bonus	23.30	9.73
b) Contribution to provident and other funds	0.20	0.15
c) Workmen and staff welfare expenses	0.44	0.36
d) Director's Remuneration	11.40	11.40
Total employee benefits expense	<u>35.34</u>	<u>21.64</u>
29 Finance costs		
a) Interest expense on borrowings carried at amortised cost	56.39	75.77
b) Interest on TDS	2.00	-
Total finance costs	<u>58.39</u>	<u>75.77</u>
30 Depreciation expense		
a) Depreciation on Property, plant and equipments (Refer Note 04)	27.83	38.38
Total depreciation expense	<u>27.83</u>	<u>38.38</u>
31 Other expenses		
(a) Consumption of stores, spare parts and loose tools	3.90	1.45
(b) Repairs to buildings	-	-
(c) Repairs to plant and machinery	2.73	2.60
(d) Power and fuel	1.06	0.52
(e) Rates, taxes and licenses	16.23	66.91
(f) Electricity expenses	2.65	3.03
(g) Insurance charges	0.07	0.33
(h) Cultivation expenses	-	1.31
(i) Selling and distribution expenses	0.58	0.82
(j) Legal and professional fee	27.93	22.70
(k) Travelling and conveyance expenses	2.97	2.49
(l) Telephone expenses	0.27	0.32
(m) Directors' sitting fees	1.39	1.16
(n) Printing and stationery	0.76	0.40
(o) Audit fees [Note 31.1]	1.28	1.18
(p) Rent paid	6.00	6.00
(q) Sundry balances written off	7.26	68.53

Notes forming part of the Financial Statements (contd.)

31 Other expenses (contd.)	For the year ended 31.03.2022 Rs in lakhs	For the year ended 31.03.2021 Rs in lakhs
(r) Loss Allowance created/(reversed) on security deposits	16.75	(56.78)
(s) Loss Allowance created/(reversed) for trade receivables	(20.86)	61.90
(t) Loss on sale of shares	48.88	-
(u) Loss on assets discarded	1.03	-
(v) Labour charges & allowances	8.66	-
(w) Other general expenses	4.44	9.60
Total other expenses	134.00	194.47
31.1 Audit fee includes payment to statutory auditor towards:		
(i) Statutory audit fee	0.89	1.18
(ii) Tax Audut	0.30	-
(iii) Other services	0.10	-
32. Exceptional Items		
Earlier years written off amounts recovered	291.63	-
	291.63	-
<p>Note - The company has entered into a joint venture for executing a contract for setting up a small hydro power project of 2 mega watts for Uttarakhand Jal Vidyut Nigam Ltd. It was decided that since the company was the lead partner and has 90% share in the contract, the entire execution was to be carried out by the company. Accordingly, the company incurred continuing overhead and other expenses including fixed expenses like salaries, other administration expenses, etc to execute the project works and charged the same to its Profit & Loss account. However, subsequently disputes arose in the project and the contract was terminated. Arbitration proceedings against Uttarakhand Jal Vidyut Nigam Ltd. for recovery of expenses already incurred by it alongwith loss of profits due to termination of the contract were initiated. The same were concluded in March' 2022 and award was received in favour of the Joint venture in April' 2022. Accordingly, the company has decided to recognise the amount of Rs 2.91 Crores, already spent on account of above project, as recoverable and accounted for the same under "Earlier years written off amounts recovered" in the books of accounts which is shown under "Exceptional Items" in the Financial results.</p>		
33. Income tax recognised in profit and loss		
Current tax		
In respect of the current year	-	-
In respect of earlier years	16.53	236.54
	16.53	236.54
Deferred tax		
In respect of the current year	23.27	134.34
	23.27	134.34
<p>The tax expense for the year can be reconciled to the accounting profit (loss) as follows:</p>		
Profit / (Loss) before tax for the year	46.14	371.16
Income tax expense calculated at 26.00% on above	12.00	96.50
Other adjustments	11.28	37.84
Tax expense as per Income tax Act, 1961	23.27	134.34
34. Earnings per share (in Rupees)		
Basic and diluted earnings per share		
<p>The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:</p>		
Profit/ (loss) for the year	6.33	0.28
Profit/ (loss) attributable to the Equity Shareholders (A)	6.33	0.28
Weighted average number of equity shares outstanding (B)	3,46,30,630	3,46,30,630
Face value of Equity shares in Rupees	10.00	10.00
Basic and diluted earnings per share (A / B) (Rs.)	0.02	-
<p>The Company is not having any potential ordinary shares which are dilutive in nature.</p>		

Notes forming part of the Financial Statements (contd.)

	As at 31.03.2022 Rs in lakhs	As at 31.03.2021 Rs in lakhs
35 Additional information to the Financial Statements		
35.01 Contingent liabilities		
1 Claims not acknowledged as debts		
Income Tax Demand (Assessment Year 2004-05)	16.34	16.34
Income Tax Demand (Assessment Year 2009-10)	48.05	30.89
Income Tax Demand (Assessment Year 2010-11)	73.72	73.72
Income Tax Demand (Assessment Year 2012-13)	1,109.17	1,044.46
Income Tax Demand (Assessment Year 2013-14)	449.20	449.20
Income Tax Demand (Assessment Year 2014-15)	734.86	734.86
Income Tax Demand (Assessment Year 2017-18)	0.05	0.05
Income Tax Demand (Assessment Year 2018-19)	2.43	-
The WBVAT Act, 2003, VAT	817.10	817.10
The WBVAT Act, 2003, VAT	69.48	69.48
	3,320.40	3,236.10

Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

35.02 Capital and other commitments

a) Capital commitments

Estimated value of contracts remaining to be executed on capital account	NIL	NIL
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35.03 Contingent assets

a) Dispute between the Company's client NPCC Ltd. and the principal NTPC Ltd. was settled in the favour of NPCC Ltd. to the tune of Rs. 8.55 Crores (Contingent Assets Rs. 5.70 crores) by the Permanent Machinery of Arbitration (P.M.A.) which is on and above the amount receivable from them. The principal, NTPC Ltd. has preferred an appeal before the Secretary P.M.A. which is pending disposal. As per terms of MOU with NPCC Ltd., the claim once received by NPCC Ltd. shall be passed on to the Company after deduction of margins of NPCC Ltd. and tax amounts.

35.04 Disclosure on debt restructuring and settlement of loans taken from scheduled commercial banks

- (i) The debts of Indian Overseas Bank (IOB) and State Bank of India (SBI) were taken over by Alchemist Asset Reconstruction Company (Trust VII) (ARC). The company has reached a settlement of its debts with respect to the amount taken over by ARC from SBI and restructuring of the debts with respect to the amount taken over from IOB by the ARC. The settlement amount with respect to SBI of Rs. 370.00 lakhs has been paid by the company to the ARC and the restructured amount relating to IOB of Rs. 1,302.50 is to be paid by the company to the ARC in quarterly instalments as per the restructuring schedule till March '24, out of which company has already paid Rs. 847.05 lakhs till March 31, 2022. Once the payment of final installment is done the company will issue Non Convertible Debentures of Rs.1000 lakhs to the ARC, subject to certain conditions.
- (ii) The company has not yet recognised any gain/ notional gain on restructuring/ settlement of loan, pending filling of consent application/ application reflecting restructuring/settlement by Alchemist Asset Reconstruction Company Limited with the Debt Recovery Tribunal in the cases pending thereat. As per restructuring agreement, In case of failure to make payment as per schedule given in Annexure-B or in case of failure to comply with any other terms & conditions specified in Annexure-A, this restructuring shall stand revoked without any notice and any amount paid by you shall be forfeited and adjusted towards total dues.
- (iii) Dispute between the company and the West Bengal Small Industries Development Corporation Ltd. (WBSIDCL) was awarded in favour of the Company through arbitration. WBSIDCL had preferred an appeal against the arbitration award u/s. 34 of the Arbitration & Conciliation Act, 1996 in Kolkata High Court. The award amount of Rs. 1,306.16 lakhs (Contingent Assets Rs. 927.11 lakhs) plus interest is pending as on March 31,2022.

Notes forming part of the Financial Statements (contd.)

	For the year ended 31.03.2022 <u>Rs in lakhs</u>	For the year ended 31.03.2021 <u>Rs in lakhs</u>
36 Disclosures under Indian Accounting Standards		
36.01 Employee Benefits		
Defined Contribution plans		
The Company has not transferred any amount towards long term defined benefit obligations as the management estimates that provision for retirement benefits is sufficient. Further the company has made contribution to following defined contribution plans:-		
Provident and other funds	0.20	0.15
Total	<u>0.20</u>	<u>0.15</u>
Defined Benefit Plans		
The Company provided the following employee benefits		
Funded : Provident Fund		
Non Funded: Gratuity		
36.02 Details of the Gratuity Plan are as follows	2021-22	2020-21
Description	Rs in lakhs	Rs in lakhs
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	8.46	8.46
b. Actuarial (gain)/loss	-	-
c. Benefits paid	-	-
d. Obligation as at end of the year	8.46	8.46
2. Reconciliation of fair value of plan assets and obligations		
a. Present value of obligation	8.46	8.46
b. Fair value of plan assets	-	-
c. Amount recognised in the balance sheet Asset/(Liability)	(8.46)	(8.46)
3. Expenses recognised during the year		
a. Current service cost	-	-
b. Interest cost	-	-
c. Expected return on plan assets	-	-
d. Actuarial (gain)/loss	-	-
e. Expenses recognised during the year	-	-
36.03 Segment Reporting		
The company is engaged in business of construction contracts of Infrastructure and Hotel. In accordance with Ind AS-108 “Operating Segments” the company has presented segment information on the basis of its consolidated financial statements which form part of this report.		
In the Company’s operations within India there is no significant difference in the economic conditions prevailing in the various states of India. Further, the company does not have any revenue from foreign. Hence disclosures on geographical segment are not applicable.		
37 Financial instruments		
37.01 Capital management		
The Company manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of net debt (borrowings as detailed in notes 13 offset by cash and bank balances) and the total equity of the Company.		
The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, long term-term borrowings, short-term borrowings, less cash and short-term deposits.		

Notes forming part of the Financial Statements (*contd.*)

37.02 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risks, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

The corporate treasury management reports on quarterly basis to the board of directors that monitors risks and policies implemented to mitigate risk exposures.

37.02.01 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

37.02.02 Credit risk management

Credit risks refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables, finance receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material concentrations of credit risks. The Company does not engage in speculative treasury activity but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. On going credit evaluation is performed on the financial condition of accounts receivable.

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings.

37.02.03 Interest Rate Risk Management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. Currently the company does not have any debt and hence it is not exposed to any risk of changes in market interest rates.

37.02.04 Credit risk management

Credit risks refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables, finance receivables and loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks. The Company does not engage in speculative treasury activity.

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings.

On going credit evaluation is performed on the financial condition of accounts receivable.

37.02.05 Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes forming part of the Financial Statements (contd.)

Liquidity and interest risk tables

The following tables detail the maturity profile of Company's non-derivative financial liabilities with agreed repayment period. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay..

		₹ in lakhs		
	<u>Current/ Non Current</u>	<u>Carrying amount</u>	<u>Less than 3 months</u>	<u>3 months to 1 year</u>
As at 31.03.2022				
Borrowings	Current	3,492.07	-	3,492.07
Trade payables	Current	57.93	-	57.93
Other financial liabilities	Current	25.79	-	25.79
		<u>3,550.00</u>	<u>-</u>	<u>3,550.00</u>
As at 31.03.2021				
Borrowings	Current	3,490.63	-	3,490.63
Trade payables	Current	57.92	-	57.92
Other financial liabilities	Current	25.79	-	25.79
		<u>3,548.55</u>	<u>-</u>	<u>3,548.55</u>

38 Financial instruments

38.01 Fair value measurements

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3.13 to 3.15.

Financial assets and Liabilities

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosure are required):

		As at March 31, 2022				
	<u>Current/ Non Current</u>	<u>Fair Value through Other Profie or Loss</u>	<u>Fair Value thorough OCI</u>	<u>Amortised Cost</u>	<u>Total Carrying Value</u>	<u>Total Fair Value</u>
Financial Assets:						
Investments in equity instruments	Non Current	-	481.47	-	481.47	481.47
Investments in preference shares	Non Current	4,594.09	-	-	4,594.09	4,594.09
Loans	Non Current	-	-	387.20	387.20	387.20
Trade receivables	Current	-	-	285.84	285.84	285.84
Cash and cash equivalent	Current	-	-	8.78	8.78	8.78
Other balances with Bank	Current	-	-	34.14	34.14	34.14
Loans	Current	-	-	-	-	-
Other financial assets	Current	-	-	4.73	4.73	4.73
Total		<u>4,594.09</u>	<u>481.47</u>	<u>720.70</u>	<u>5,796.26</u>	<u>5,796.26</u>
Financial Liabilities						
Borrowings	Current	-	3,492.07	3,492.07	3,492.07	-
Trade payables	Current	-	-	57.93	57.93	57.93
Other financial liabilities	Current	-	-	25.79	25.79	25.79
Total		<u>-</u>	<u>-</u>	<u>3,575.79</u>	<u>3,575.79</u>	<u>3,575.79</u>

Notes forming part of the Financial Statements (contd.)

	Current/ Non Current	Fair Value through Other Profit or Loss	As at March 31, 2021			Total Carrying Value	Total Fair Value
			Fair Value through OCI	Amortised Cost			
Financial Assets:							
Investments in equity instruments	Non Current	-	726.22	-	726.22	726.22	
Investments in preference shares	Non Current	4,694.09	-	-	4,694.09	4,694.09	
Loans	Non Current	-	-	201.16	201.16	201.16	
Trade receivables	Current	-	-	470.28	470.28	470.28	
Cash and cash equivalent	Current	-	-	6.41	6.41	6.41	
Other balances with Bank	Current	-	-	39.85	39.85	39.85	
Loans	Current	-	-	231.89	231.89	231.89	
Other financial assets	Current	-	-	4.32	4.32	4.32	
Total		4,694.09	726.22	953.91	6,374.22	6,374.22	
Financial Liabilities							
Borrowings	Current	-	-	3,490.63	3,490.63	3,490.63	
Trade payables	Current	-	-	57.92	57.92	57.92	
Other financial liabilities	Current	-	-	25.79	25.79	25.79	
Total		-	-	3,574.34	3,574.34	3,574.34	

Fair Value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

₹ in lakhs

	As at March 31, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in equity instruments	-	-	481.47	481.47
Investments in preference shares	-	-	4,594.09	4,594.09
	-	-	5,075.56	5,075.56
As at March 31, 2021				
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments in equity instruments	-	-	726.22	726.22
Investments in preference shares	-	-	4,694.09	4,694.09
	-	-	5,420.31	5,420.31

Notes forming part of the Financial Statements (contd.)
39. Related party transactions
List of related parties and relationship

Name of the related party	Nature of Relationship	Business	Country of Incorporation	Incorporation details
KDC Nirman Limited	Subsidiaries	Real estate development	India	04.03.2008
Bengal KDC Housing Development Limited	Subsidiaries	Housing projects	India	28.06.2006
Kaushalya Energy Private Limited	Subsidiaries	Generation and distribution of power	India	15.09.2008
Azur Solar KDC Private Limited	Step Down Subsidiary	Generation and Distribution of Solar Power	India	19.05.2010
Kaushalya Nirman Private Limited	Associates	Real estate development	India	05.09.2006
Orion Abasaan Private Limited	Associates	Housing projects	India	05.09.2006
Kaushalya Township Private Limited	Associates	Real estate development	India	05.09.2006
KIDCO NACC JV	Joint Venture	Construction of Small Hydro Power Project	India	01.07.2009

Particulars	KMP & Close members of their family	Subsidiaries/ Associates/ JV	Total	Outstanding as on March 31, 2022	Outstanding as on March 31, 2021
Remuneration to Key Managerial Person					
Maresh Mehra, Whole Time Director	11.40	-	11.40	-	-
Tarak Nath Mishra, CFO	5.41	-	5.41	-	0.44
Sanjay Lal Gupta, Company Secretary	3.37	-	3.37	-	0.25
Total	20.18	-	20.18	-	0.69
Previous Year					
Maresh Mehra, Whole Time Director	11.40	-	11.40	-	-
Tarak Nath Mishra, CFO	5.28	-	5.28	0.44	-
Sanjay Lal Gupta, Company Secretary	2.55	-	2.55	0.25	-
Total	19.23	-	19.23	0.69	-
Sitting Fee to directors					
Ramkrishna Mondal	0.20	-	0.20	-	-
Sandip Sarkar	0.60	-	0.60	0.15	-
Minoti Nath	0.60	-	0.60	0.15	-
Total	1.39	-	1.39	0.31	-
Previous Year					
Ramkrishna Mondal	0.27	-	0.27	-	-
Sandip Sarkar	0.45	-	0.45	-	-
Minoti Nath	0.45	-	0.45	-	-
Total	1.17	-	1.17	-	-
Rent Paid					
Neeru Mehra	6.00	-	6.00	-	-
Total	6.00	-	6.00	-	-
Previous Year					
Neeru Mehra	6.00	-	6.00	-	-
Total	6.00	-	6.00	-	-

Notes forming part of the Financial Statements (contd.)

Particulars	KMP & Close members of their family	Subsidiaries/ Associates/ JV	Total	Outstanding as on March 31, 2022	Outstanding as on March 31, 2021
Loan taken from subsidiary					
Bengal KDC Housing Development Limited	-	46.64	46.64	1,083.79	1,037.15
KDC Nirman Limited	-	4.81	4.81	18.22	13.41
	-	51.45	51.45	1,102.01	1,050.56
Previous Year					
Bengal KDC Housing Development Limited	-	83.57	83.57	1,037.15	-
KDC Nirman Limited	-	0.51	0.51	13.41	-
	-	84.08	84.08	1,050.56	-
Advance Repaid					
Kidco NACC JV	-	(300.16)	(300.16)	(216.17)	84.00
Total	-	(300.16)	(300.16)	(216.17)	84.00
Previous Year					
Kidco NACC JV	-	5.65	-	84.00	-
	-	5.65	-	84.00	-
			As at 31.03.2022		As at 31.03.2021
			Rs in lakhs		Rs in lakhs

40 Disaggregation of Revenue from contracts with customers in India

Revenue from operations

a) Contracts receipts	-	214.16
b) Receipts from hotel	11.89	10.44
c) Revenue from agricultural business	1.86	2.74
	13.75	227.34

Contract Assets

Trade receivables	285.84	470.28
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Contract Liabilities

Advance from customers	0.15	230.66
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41 Approval of financial statements

The financial statements were approved for issue by the board of directors on 30th May, 2022.

42 Financial ratios

Rs in lakhs

Sl. No	Ratios	For the Year ended		% Change	Reason for change
		2022	2021		
a	Current ratio	0.10	0.20	(50)	Decrease in current assets
b	Debt Equity ratio	0.86	0.87	(1)	
c	Debt service coverage ratio	-	-	-	
d	Return on equity ratio	0.15%	0.01%	2130	Increase in Profit after Tax
e	Inventory turnover ratio	NA	NA	-	
f	Trade receivables turnover ratio	NA	NA	-	
g	Trade payables turnover ratio	NA	NA	-	
h	Net capital turnover ratio	(0.01)	(0.24)	(98)	Decrease in total income
i	Net Profit ratio	38.90%	0.04%	1,04,573	Increase in Profit after Tax
j	Return on capital employed	1.38%	5.94%	(77)	Decrease in EBIT
k	Return on investment	0.08%	0.00%	2,144	Increase in Profit after Tax

Notes forming part of the Financial Statements (contd.)

1. Current ratio = Current assets ÷ Current liabilities
2. Debt-Equity ratio = Long term borrowings ÷ Shareholders funds
3. Debt service coverage ratio = Earnings available for debt service ÷ Debt service
Where, Earnings for debt service = Net profit before tax + Non cash operating expenses like depreciation + Interest + Other adjustments like loss on sale of fixed assets
Debt service = Interest & Lease payments + Principal repayments
4. Return on Equity ratio = Net profit ÷ shareholders funds
5. Trade receivables turnover ratio = Net credit sales ÷ average receivables
6. Trade payables turnover ratio = Net credit purchases ÷ average payables
7. Net capital turnover ratio = Total turnover ÷ Average working capital
8. Net profit ratio = Net profit ÷ Total revenue
9. Return on capital employed = EBIT ÷ (shareholders funds + Long term borrowings)
11. Return on Investment = Net profit ÷ (shareholders funds + Long term borrowings)

As per terms of our report attached.

For and on behalf of the Board of Directors

For Barkha & Associates

Firm Regn. No. 327573E

Chartered Accountants

Barkha Agarwal

Partner

Membership No. 301636

Place : Kolkata

30th May, 2022

Mahesh Mehra	Tarak Nath Mishra	Sanjay Lal Gupta
Whole-time Director	Whole-time Director & CFO	Whole-time Director & Company Secretary

FORM- AOC 1*(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**Statement containing salient features of the financial statement of subsidiaries/**Associate Companies/Joint Ventures***Part "A": Subsidiaries****(₹ In Lakhs)**

Sl. No	1	2	3	4
Name of the subsidiary	Bengal KDC Housing Development	KDC Nirman Limited	Kaushalya Energy Private Limited (KEPL)	Azur Solar KDC Private Limited (Subsidiary of KEPL)
Reporting period	31st March, 2022	31st March, 2022	31st March, 2022	31st March, 2022
Reporting Currency and Exchange rate	INR	INR	INR	INR
Share Capital	20.00	20.00	10.00	1.00
Other Equity	180.49	(1.68)	(9.06)	(1.19)
Total Assets	1,200.61	19.25	1.47	0.05
Total Liabilities	1,200.61	19.25	1.47	0.05
Investments	2.40	-	0.99	-
Turnover	65.05	0.95	-	-
Profit before taxation	38.95	0.30	(1.19)	(0.33)
Provision for taxation	11.60	0.09	(0.31)	0.03
Profit after taxation	27.34	0.20	(0.88)	(0.36)
Proposed Dividend	Nil	Nil	Nil	Nil
% of shareholding	51%	51%	95.50%	99% (Holding by KEPL)

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations:
 - KDC Nirman Limited
 - Kaushalya Energy Private Limited
 - Azur Solar KDC Private Limited (struck off w.e.f 17.06.2022)
- Names of subsidiaries which have been liquidated or sold during the year: NONE
- The Reporting date of all subsidiaries is same as that of the Company, that is, 31st March, 2022.
- The Company does not have any foreign subsidiary.

For and on behalf of Board of Directors

Mahesh Mehra
Whole-time Director
DIN-00086683

Tarak Nath Mishra
Whole-time Director
& CFO
DIN- 08845853

Sanjay Lal Gupta
Whole-time Director &
Company Secretary
DIN-08850306

Place : Kolkata
Date : 30th May, 2022

Part “B”: Associates and Joint Ventures

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

(₹ In Lakhs)

Sl. No.	1	2	3	4
Name of Associates /Joint Ventures	Orion Abasaan Pvt Ltd (OAPL)	Kaushalya Nirman Pvt Ltd (KNPL)	Kaushalya Township Private Limited (KTPL)	KIDCO NACC
1. Latest Audited Balance Sheet Date	31st March, 2022	31st March, 2022	31st March, 2022	31st March, 2022
2. Shares of Associate/Joint Ventures held by the Company on the year end				
- No.	29,000	46,000	317,533	NA
- Amount of Investment in Associates/ Joint Venture (Amount in Rs)	10.90	19.40	155.08	216.17
- Extend of Holding %	48.33%	46.00%	48.72%	90%
3. Description of how there is significant influence	Based on the percentage of holding over these investees			
4. Reason why the associate/joint venture is not consolidated	NA	NA	NA	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	341.96	154.12	851.54	NA
6. Profit / Loss for the year				
i. Considered in Consolidation	-	-	10.13	-
ii. Not Considered in Consolidation	(8.87)	(20.26)	-	-

- Names of associates or joint ventures which are yet to commence operations: None
- Names of associates or joint ventures which have been liquidated or sold during the year: None

For and on behalf of Board of Directors

Mahesh Mehra
Whole-time Director
DIN-00086683

Tarak Nath Mishra
Whole-time Director
& CFO
DIN- 08845853

Sanjay Lal Gupta
Whole-time Director &
Company Secretary
DIN-08850306

Place : Kolkata
Date : 30th May, 2022

Consolidated Financials

Independent Auditors' Report

To The Members of

KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

Report on the Consolidated Ind AS Financial Statements

OPINION

1. We have audited the accompanying consolidated financial statements of **KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the auditors on separate financial statements of the subsidiaries, 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 the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2022, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 Group and its subsidiaries 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the other matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment based on the consideration of the reports of other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. 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 separate opinion on these matters.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

5. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

Independent Auditor's Report (*contd.*)

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.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

6. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

9. 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 Standards on Auditing 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.
10. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act 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

Independent Auditor's Report (*contd.*)

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
 - Obtain sufficient appropriate audit evidence regarding the financial statements of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
11. 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.
 12. 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.
 13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

14. The Consolidated Ind AS financial statements includes four subsidiaries, whose financial statements reflects total assets of ₹6,597.74 Lakhs as at 31 March 2022, total revenues of ₹26.10 Lakhs and net cash inflows amounting to

Independent Auditor's Report (*contd.*)

6.42 Lakhs for the year ended on that date, the financial statements of an associate which reflect Group's share of net profit of 42.77 lakhs for the year ended on March 31, 2022, which have been audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

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

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

17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March 2022 from being appointed as a director in terms of section 164(2) of the Act;
- With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and
- With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in notes to the consolidated financial statements;
 - ii. The Holding Company and its subsidiary companies did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2022;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the

Independent Auditor's Report (*contd.*)

Holding Company, and its subsidiary companies covered under the Act, during the year ended 31 March 2022;

- a. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act that, to the best of their knowledge and belief, as disclosed in note to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies, to or in any persons or entities, including foreign entities ('the 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 Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act that, to the best of their knowledge and belief, as disclosed in the notes to the accompanying consolidated financial

statements, no funds have been received by the Holding Company or its subsidiary companies, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed, as considered reasonable and appropriate in the circumstances, nothing has come to our attention that causes us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- iv. The Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act, have not declared or paid any dividend during the year ended 31 March 2022.

For Barkha & Associates

Firm Regn. No: 327573E

Chartered Accountants

CA Barkha Agarwal

Partner

Place: Kolkata

Date: 30th May, 2022

Membership No: 301636

UDIN: 22301636AJWIHA6760

Annexure I

List of entities included in the consolidated financial statements

Name of the Holding Company

- 1) Kaushalya Infrastructure Development Corporation Limited

Name of subsidiaries

- 2) Azur Solar KDC Private Limited
- 3) KDC Nirman Limited
- 4) Bengal KDC Housing Development Limited
- 5) Kausalya Energy Private Limited

Annexure A

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements of KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of **KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2022, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in Guidance Note on Internal Financial Controls

over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were

Annexure A

established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance

with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI .

For Barkha & Associates

Firm Regn. No: 327573E

Chartered Accountants

CA Barkha Agarwal

Partner

Place: Kolkata

Date: 30th May, 2022

Membership No: 301636

UDIN: 22301636AJWIHA6760

Consolidated Balance Sheet as at 31st March, 2022

(₹ in lakhs)

Particulars	Notes	As at <u>31.03.2022</u>	As at <u>31.03.2021</u>
(I) ASSETS			
(1) Non-current assets			
a) Property, plant and equipment	4	101.02	129.08
b) Goodwill	5	0.17	0.17
c) Investment property	6	266.07	266.07
d) Investments in subsidiaries and associates	7	<u>23.04</u>	<u>12.91</u>
e) Financial assets			
i) Investments	7	3,862.00	4,107.74
ii) Loans and Advances	8	488.30	437.99
iii) Other Financial Asset	9	0.10	-
f) Deferred tax asset (net)	10	446.87	469.81
g) Income tax assets (net)	11	373.04	372.48
h) Other non current assets	12	672.19	306.03
		<u>6,232.80</u>	<u>6,102.28</u>
(2) Current Assets			
a) Inventories	13	3.76	5.26
b) Financial assets			
i) Trade receivables	14	285.84	470.28
ii) Cash and cash equivalents	15	15.22	8.80
iii) Other balances with Bank		36.34	34.79
iv) Loans and advances	16	(0.00)	236.89
v) Other financial assets	17	7.77	4.32
c) Other Current assets	18	16.00	9.71
		<u>364.94</u>	<u>770.05</u>
		<u>6,597.74</u>	<u>6,872.33</u>
TOTAL ASSETS			
(II) EQUITY AND LIABILITIES			
(1) Equity			
a) Equity share capital	19	3,463.06	3,463.06
b) Other equity	20	541.08	463.29
		<u>4,004.14</u>	<u>3,926.35</u>
Non Controlling Interest	21	104.29	90.84
		<u>104.29</u>	<u>-</u>
(2) Non-current liabilities			
a) Provisions	22	8.46	8.46
		<u>8.46</u>	<u>8.46</u>
(3) Current liabilities			
a) Financial liabilities			
i) Borrowings	23	2,390.06	2,440.06
ii) Trade payables			
a) Total outstanding dues to Micro, Small and Medium Enterprise		-	-
b) Total outstanding dues to creditors other than Micro, Small and Medium Enterprise	24	62.09	63.52
iii) Other financial liabilities	25	25.79	25.79
a) Income tax liabilities (Net)	26	-	0.03
b) Other current liabilities	27	2.89	317.28
		<u>2,480.84</u>	<u>2,846.68</u>
		<u>6,597.74</u>	<u>6,872.33</u>
TOTAL EQUITY AND LIABILITIES			

See accompanying notes forming part of the financial statements

As per terms of our report attached.

For and on behalf of the Board of Directors

For Barkha & Associates

Firm Regn. No. 327573E

Chartered Accountants

Barkha Agarwal

Partner

Membership No. 301636

Place : Kolkata

30th May, 2022

Mahesh Mehra
Whole-time Director

Tarak Nath Mishra
Whole-time Director
& CFO

Sanjay Lal Gupta
Whole-time Director
& Company Secretary

Consolidated Statement of Profit and Loss for the year ended 31st March, 2022

(₹ in lakhs)

Particulars	Notes	For the year ended 31.03.2022	For the year ended 31.03.2021
1) Revenue from operations	28	13.75	227.34
2) Other income	29	12.35	548.07
3) Total Revenue (1) + (2)		26.10	775.41
4) EXPENSES			
a) Cost of materials consumed	30	6.21	11.06
b) Changes in inventories of work in progress	31	-	41.04
c) Employee benefits expense	32	53.05	39.65
d) Finance costs	33	3.10	1.64
e) Depreciation expense	34	27.90	38.45
f) Other expenses	35	143.62	203.88
Total Expenses (4)		233.87	335.73
(5) Profit/(Loss) before tax, exceptional items and share of profits/(loss) of associates and joint ventures (3)-(4)		(207.77)	439.69
Exceptional Items	36	291.63	-
Profit / (Loss) before tax and share of profits/(loss) of associates and joint ventures (3) - (4)		83.86	439.69
(6) Share of Profit/(Loss) of associates and joint ventures		10.13	12.91
(7) Profit before tax (5) + (6)		93.99	452.60
(8) Tax Expense			
(a) Current tax			
i) Current tax for current year	37	10.44	17.66
ii) Current tax for earlier years		17.84	236.66
b) Deferred tax		22.94	134.51
Total tax expense (8)		51.22	388.83
(9) Profit for the year (7) - (8)		42.77	63.76
(10) Other comprehensive income			
a) Items that will be reclassified to statement of profit and loss			
i) Changes in fair value of equity instruments		-	(0.12)
b) Items that will not be reclassified to statement of profit and loss		-	-
Total other comprehensive income (8)		-	(0.12)
(11) Total comprehensive income for the period (7) + (8)		42.77	63.64
Total comprehensive income Attributable to			
Equity holders of the Parent		29.31	38.98
Non controlling Interest		13.45	24.67
(12) Earnings per equity share: (Face value of share of Rs 10 each)			
a) Basic	38	0.12	0.18
b) Diluted		0.12	0.18

See accompanying notes forming part of the financial statements

As per terms of our report attached.

For and on behalf of the Board of Directors

For Barkha & Associates

Firm Regn. No. 327573E

Chartered Accountants

Barkha Agarwal

Partner

Membership No. 301636

Place : Kolkata

30th May, 2022

Mahesh Mehra
Whole-time Director**Tarak Nath Mishra**
Whole-time Director
& CFO**Sanjay Lal Gupta**
Whole-time Director
& Company Secretary

Consolidated Cash Flow Statement for the year ended 31st March, 2022

Particulars	(₹ in lakhs)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
A. Cash Flow from Operating activities:		
Profit/ (loss) before tax	83.86	439.69
<i>Adjustments for:</i>		
Depreciation expense	27.90	38.45
Loss on sale of shares	48.88	-
Loss Allowance on security deposits	135.11	(56.78)
Loss Allowance for trade receivables	(139.23)	61.90
Interest Income	2.66	(23.32)
Finance cost	3.10	1.64
Liabilities/provision no longer required written back	(0.29)	(90.89)
Profit on sale of Property, plant and equipment	-	(0.39)
Operating profit before working capital changes	161.99	370.30
<i>Adjustments for changes in operating assets/ liabilities</i>		
Inventories	1.50	41.04
Trade receivables	188.55	845.12
Current financial assets	(3.45)	0.06
Non-current financial assets	(0.10)	-
Loans and advances	(50.31)	197.27
Other non-current assets	(366.16)	(306.03)
Other current assets	(6.29)	(8.73)
Other financial assets	-	383.18
Trade Payables	(1.43)	(916.14)
Current financial liabilities	-	(31.62)
Other current liabilities	(314.39)	(44.26)
Cash generated from operations	(390.09)	530.19
Direct taxes refunded/ (paid)	(28.98)	(54.48)
Net cash generated from/ (used in) operating activities	(419.06)	475.71
B. Cash Flow from Investing activities:		
Proceeds/ (Repayment) in fixed deposit held as margin	(1.55)	(8.99)
Loans and advances (given) / repaid (net)	236.89	58.68
Proceeds from sale of Investments in equity instruments	245.74	-
Proceeds from sale of Property, plant and equipment	0.16	15.01
Interest received	(2.66)	3.48
Net cash generated from/ (used in) investing activities	478.58	68.18

Consolidated Cash Flow Statement for the year ended 31st March, 2022 (Contd.)

Particulars	(₹ in lakhs)	
	For the year ended 31.03.2022	For the year ended 31.03.2021
C. Cash Flow from Financing activities:		
Proceeds/ (Repayments) of current borrowings		
- From banks	(50.00)	(550.00)
Interest paid	(3.10)	(1.64)
Net cash generated from/ (used in) financing activities	(53.10)	(551.64)
Net increase/(decrease) in cash and cash equivalents	6.42	(7.76)
Cash and cash equivalents as at 1 April¹	8.80	16.56
Cash and cash equivalents as at 31 March¹	15.22	8.80

See accompanying notes forming part of the financial statements

1. Cash and cash equivalents represents cash, cheques on hand and balances with banks. (Refer Note. 12)
2. Interest accrued and converted into loan amounting to 69.57 lacs (P.Y. Rs. 61.19 lacs) being a non-cash item have not been considered above.
3. Figures in brackets represent outflows.

As per terms of our report attached.

For and on behalf of the Board of Directors

For Barkha & Associates

Firm Regn. No. 327573E

Chartered Accountants

Barkha Agarwal

Partner

Membership No. 301636

Place : Kolkata

30th May, 2022

Mahesh Mehra	Tarak Nath Mishra	Sanjay Lal Gupta
Whole-time Director	Whole-time Director & CFO	Whole-time Director & Company Secretary

Notes forming part of the Consolidated Financial Statements

1. General corporate information

Kaushalya Infrastructure Development Corporation Limited (the Parent Company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange and National Stock Exchange. The Group is primarily engaged in executing construction contracts relating to infrastructure, real estate developments and acquisition and development and sale of land. It also carries on the business of hotel.

The Group consists of Kaushalya Infrastructure Development Corporation Limited (the Parent Company), its subsidiaries (viz. Azur Solar KDC Private Limited, Bengal KDC Housing Development Limited, KDC Nirman Limited, Kaushalya Energy Private Limited). The Group also have interest in associates (viz. Kaushalya Township Private Limited, Kaushalya Nirman Private Limited, Orion Abasaan Private Limited) and Kidco-NACC JV.

The step down subsidiary company M/s Azur Solar KDC Pvt Ltd. has made an application with the registrar of companies, Kolkata for striking off the name of the company. The company status as on date of this report is *under the process of striking off*.

The Group's services are limited to domestic markets only.

02. Application of new and revised Ind AS

Ind ASs notified and effective from April 1, 2019

The following Ind AS has become effective from April 1, 2019:

- a. Ind AS 116 – Leases
- b. Amendments to Ind AS 12 – Income Taxes
- c. Amendments to Ind AS 19 – Employee Benefits

d. Amendments to Ind AS 28 – Investments in Associates and Joint Ventures

e. Amendments to Ind AS 109 – Financial Instruments

The Group had to change its accounting policies as a result of adopting Ind AS 116 - Leases, did not have any significant impact. Other amendments listed above did not have any impact on the amounts recognized in the prior periods and are not expected to significantly affect the current and future period.

2.01. Basis of Consolidation

The consolidated financial statements comprise of financial statements of the Company, its subsidiaries and includes Group's share of net assets of its joint venture and associates accounted for using the equity method, explained below.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists where the Group has power over the investee and 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 to direct those returns through its power to direct the relevant activities of the investee. In assessing control, potential voting rights that is currently exercisable are taken into account. Subsidiaries are fully consolidated from the date on which control is acquired and are deconsolidated from the date control ceases. The Group combines the financial statements of the Company (parent) and its subsidiaries line by line, adding together like items of assets, liabilities, equity, income and expenses. Inter-company transactions and balances including unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from

Notes forming part of the Consolidated Financial Statements (*contd.*)

the Group's equity. The interest of non-controlling shareholders may be initially measured either at fair value or at the noncontrolling interests proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

Associates

Associates are entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

An interest in an associate or joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture and are recognised initially at cost. The Group's investment includes goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of profits or losses and equity movements of equity accounted investees, from the date, significant influence or joint control commences until the date such significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount (including any long-term investments in the nature of net investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. When the Group transacts with an associate or joint venture,

unrealised profits and losses are eliminated to the extent of the Group's interest in such associate or joint venture.

3. Summary of significant accounting policies

03.01 Statement of compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standard) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 ('the Act'), as applicable.

3.02 Basis of preparation and presentation

This is a consolidated financial statements of the Group, which has been prepared under the historical cost except for certain financial instruments that are measured at fair value at end of each reporting period. Historical cost is generally based on fair value of the consideration given in exchange for goods and services. The consolidated financial statements incorporate the financial statements of the Parent Company and entities controlled by it i.e. its subsidiaries. It also includes the Group's share of profits, net assets and retained post acquisition reserves of joint arrangements and associates that are consolidated using equity method. Control is achieved when the Group is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity.

Wherever necessary, adjustments are made to the financial statements of subsidiaries, joint arrangements and associates to bring their accounting policies in line with those used by other members of the Group.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the

Notes forming part of the Consolidated Financial Statements (*contd.*)

Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. In these consolidated financial statements, the fair value for measurement and/or disclosure purpose is determined on such basis except for leasing transactions that are within the scope of Ind AS 17 – Leases / Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of assets.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The consolidated Balance Sheet and the consolidated Statement of Profit and Loss are prepared and presented in the format prescribed in the Division II of Schedule III to the Companies Act, 2013. The consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”. The disclosure requirements with respect to items in the Consolidated Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to

the Companies Act, 2013 are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

3.03 Use of Estimates

The preparation of consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

3.04 Revenue recognition

The Group has following major sources of revenue:

3.04.01 Construction activities

Construction activities includes long-term contracts for construction of infrastructure facilities or projects priced on a time and material basis etc. Revenues from construction activities are recognised over time using percentage of completion method. Such percentage of completion is determined as a proportion of the cost incurred for work performed to date relative to the total estimated contract costs.

The Group follows the policy of recognizing the contract revenue as soon as the work is completed, irrespective of the certification. However, whenever the work gets certified, the Group takes the certified portion of the previously uncertified revenue and deducts the same amount from the uncertified

Notes forming part of the Consolidated Financial Statements (*contd.*)

portion of the revenue of the respective financial year.

Foreseeable losses on such contracts are recognized when probable using the most likely outcome or expected value method, as the case may be, in the particular circumstance.

3.04.02 Hotel Operations

Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and other services which is recognised once the rooms are occupied, food and beverages are sold and other services have been provided as per the contract with the customer.

3.04.03 Other services / activities

Revenues from agricultural activities is recognized at a point in time when the agricultural produce is sold to the customers.

Revenues from consultancy services are recognized overtime when such services are performed.

Revenue from hire charges are recognized overtime.

Revenues from maintenance contracts are recognized overtime when the maintenance services are provided to the customers.

3.04.04 Other Income

Interest: Interest income is recognized on time proportion basis taking into account the amount outstanding and the effective interest rate applicable.

3.05 Employee Benefits

3.05.01 Short-term benefits

Short term employee benefits are recognised as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss of the year in which the related service is rendered.

3.05.02 Defined retirement benefits

The cost of providing defined benefit retirement benefits are determined using

the projected unit credit method. The Group provides gratuity benefits to its employees. Gratuity liabilities are not funded. Remeasurements, comprising actuarial gains and losses, return on plan assets excluding amounts included in net interest on the net benefit liability (asset) and any change in the effect of the asset ceiling (if applicable) are recognised in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in the comprehensive income are not reclassified to profit and loss but recognised directly in the retained earnings. Past service costs are recognised in profit and loss in the period in which the amendment to plan occurs. Net interest is calculated by applying the discount rate to the net defined liability or asset at the beginning of the period, taking into account of any changes in the net defined benefit liability(asset) during the period as a result of contribution and benefit payments.

Defined benefit costs which are recognised in consolidated profit and loss are categorised as follows

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); and
- net interest expense or income; and

The retirement benefit obligation recognised in the consolidated financial statements represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reduction in future contributions to the plans.

The liability for termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Notes forming part of the Consolidated Financial Statements (*contd.*)

3.06 Taxation

i) Current tax

Current tax is the amount of tax payable on the taxable profit for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Taxable profit differs from 'Profit Before Tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, joint ventures and associates, except where the Group

is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from the deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which the benefits of the temporary difference can be utilised and they are expected to reverse in the foreseeable future.

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

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

iii) Minimum alternate tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is recognised as an asset in the balance sheet when there is convincing evidence that the Group will pay normal income tax during the specified period and it is probable that future economic benefit associated with it will flow to the Group.

iv) Current tax and deferred tax

Current tax and deferred tax are recognised in Consolidated Statement of Profit and Loss, except

Notes forming part of the Consolidated Financial Statements (*contd.*)

when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively. The current and deferred tax arising from the initial accounting for business combination, are included in the accounting for the business combination.

3.07 Property, Plant and equipment

Land, buildings, Plant and equipment, Furniture and Fixtures, Vehicles, Office equipments held for use in the operations, or for administrative purposes are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Cost includes purchase cost of materials, including import duties and non-refundable taxes, any directly attributable costs of bringing an asset to the location and condition of its intended use and borrowing costs capitalised in accordance with the Group's accounting policy.

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over the useful lives, using the straight-line method. Depreciation of assets commences when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes is accounted as change in estimate on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in Consolidated Statement of Profit and Loss.

Upto March 31, 2019, assets acquired under

finance leases are depreciated over their expected useful lives on the same basis as owned asset. When there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Estimated useful lives of the assets are as follows:

Buildings	: 30 to 60 years
Plant and equipment	: 3 to 15 years
Furniture and Fixtures	: 10 years
Office Equipments	: 3 to 5 years
Computers	: 3 years
Motor Vehicles	: 5 to 8 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in consolidated profit and loss.

The Group has elected to continue with the carrying value of all of its property, plant and equipment recognized as of April 1, 2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

3.08 Borrowing Costs

Borrowing cost attributable to the acquisition of qualifying assets is added to the cost up to the date when such assets are ready for their intended use. Other borrowing costs are recognized as expenses in the period in which these are incurred.

3.09 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets (Other than goodwill) to determine whether there is any indication that those assets have suffered any impairment loss. If any such indication exists, the recoverable amount of the asset

Notes forming part of the Consolidated Financial Statements (*contd.*)

is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is estimated to be less than the carrying amount, the carrying amount of the asset or cash generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in consolidated profit and loss.

When an impairment loss subsequently reverses, the carrying value of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash generating unit in prior years. Any reversal of an impairment loss is recognised immediately in consolidated profit and loss.

3.10 Inventories

Raw materials, stores and spares, finished goods, other construction materials and fuel are valued at lower of cost and net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes purchase price, non-refundable taxes and duties and other directly attributable costs incurred in bringing the goods/services to the point of sale. Work-in-progress is valued at cost.

3.11 Provisions, Contingent liabilities and Contingent assets

3.11.01 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.11.02 Onerous contracts

An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. Present obligation arising under onerous contracts are recognised and measured as provisions.

3.11.03 Contingent liabilities and assets

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or is a present obligation that arises from

Notes forming part of the Consolidated Financial Statements (contd.)

past events but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised. Contingent assets are neither recognised nor disclosed.

3.12 Leases**Upto March 31, 2019**

Assets taken on lease by the Group had substantially all the risks and rewards of ownership are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. The Group's significant operating leasing arrangements are for premises (office, residence etc.). The leasing arrangements which normally have a tenure of eleven months to three years are cancellable with a reasonable notice, and are renewable by mutual consent at agreed terms. The aggregate lease rent payable is charged as rent in the Consolidated Statement of Profit and Loss.

With effect from April 1, 2019

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (leases with a lease term of 12 months or less) and leases of low value assets. For short term leases and leases of low value assets,

the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate, which is determined using the risk free rate for the same tenor adjusted for the credit risk associated with the lease, security etc. Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives; and any variable lease payments that are based on an index or a rate, initially measured using the index or rate at the commencement date. Lease payments to be made under reasonably certain extension options are also included in the measurement of lease liabilities.

Lease payments are allocated between the principal and finance cost. The finance cost is charged in the Consolidated Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any.

Right-of-use assets are depreciated on straight-line basis over the period of lease term and useful life of the underlying asset, whichever is lower. If a lease transfers ownership of the underlying asset or where it is reasonably certain that the Group will

Notes forming part of the Consolidated Financial Statements (*contd.*)

exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

3.13 Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transactions costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transactions costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in consolidated profit and loss.

3.14 Financial asset

All purchases or sales of financial assets which require delivery of assets within the time frame established by regulation or convention in the market place are recognised and derecognised on a trade date basis. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

3.14.01 Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit and loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit and loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Interest income is recognised in consolidated profit and loss for Fair value through other comprehensive income (FVTOCI) debt instruments. For the purpose of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus exchange differences on the amortised cost are recognised in consolidated profit and loss and other changes in the fair value of FVTOCI financial assets in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit and loss.

All other financial assets are subsequently measured at fair value.

3.14.02 Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective

Notes forming part of the Consolidated Financial Statements (*contd.*)

interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Income is recognised on effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in Consolidated Statement of Profit and Loss and is included in the "Other income" line item.

3.14.03 Investments in equity instruments at FVTOCI

On initial recognition, the Group make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in the fair value of investments in equity instruments (other than investments held for trading) in other comprehensive income. These instruments are initially measured at fair value plus transaction costs. Subsequently they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for Equity through other comprehensive income'. On disposal of these investments the cumulative gain or loss is not reclassified to consolidated profit and loss.

Dividends on these investments in equity instruments are recognised in consolidated profit and loss when the Group's right to receive dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends are included as part of 'Other income' in the Consolidated Statement of Profit and Loss.

3.14.04 Financial assets at fair value through profit and loss (FVTPL)

Financial assets which meets the criteria of financial assets held for trading are designated as 'Financial Assets at FVTPL'. The Group has derivatives that are not designated and effective as a hedge instrument which are designated as 'Financial Assets at FVTPL'. Financial assets at FVTPL are measured at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in Consolidated Statement Profit and Loss.

3.14.05 Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on trade receivables, other contractual rights to receive cash or other financial instruments. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risks on that financial instrument has increased significantly since initial recognition. If the credit risk on financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12 month expected credit losses.

If the Group measures the loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risks has not increased

Notes forming part of the Consolidated Financial Statements (*contd.*)

significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12 month expected credit losses.

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Group always measures loss allowance at an equal to life time expected credit losses. For the purpose of measuring lifetime expected credit loss allowance for trade receivables the Group has used practical expedient as permitted under Ind AS 109. The expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

3.14.06 Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of financial asset in its entirety, the difference between the asset's carrying amounts and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised

in profit and loss if such gain or loss would have otherwise been recognised in Consolidated Statement of Profit and Loss on disposal of that financial asset.

3.15 Financial liabilities and equity instruments

3.15.01 Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchases of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in consolidated profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

3.15.02 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in consolidated profit and loss. The net gain or loss recognised in consolidated profit and loss incorporates any interest paid on

Notes forming part of the Consolidated Financial Statements (*contd.*)

the financial liability and is included in the 'Other income' line item.

3.15.03 Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

3.15.04 Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of

the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Consolidated Statement Profit and Loss.

3.16 Joint Venture Operations

In respect of contracts executed in Integrated Joint Ventures under profit sharing arrangement (assessed as AOP under Income tax laws), the services rendered to the Joint Ventures are accounted as income on accrual basis.

The profit / loss is accounted for, as and when it is determined by the Joint Venture and the net investment in the Joint Venture is reflected as investments, loans and advances or current liabilities.

3.17 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 36 months for real estate & infrastructure projects and 12 months for others for the purpose of classification of its assets and liabilities as current and non-current.

3.18 Rounding Off

The consolidated financial statements have been prepared in Indian Rupees (Rs) rounded off to two nearest decimal places in lakhs unless otherwise stated.

Notes forming part of the Consolidated Financial Statements (contd.)

₹ in lakhs

04. Property, plant and equipment

	Freehold Building	Plant and Machinery	Furniture and fixtures	Motor Vehicles	Office equipments	Computers	Total
Cost or deemed cost							
Balance at April 1, 2020	78.50	272.69	1.75	0.67	0.26	0.22	354.09
Additions	-	-	-	-	-	-	-
Disposals	-	(103.71)	-	-	-	-	(103.71)
Balance at March 31, 2021	78.50	168.98	1.75	0.67	0.26	0.22	250.38
Additions	-	-	0.48	-	0.40	-	0.88
Disposals	-	(1.00)	-	(0.04)	-	-	(1.03)
Balance at March 31, 2022	78.50	167.98	2.23	0.63	0.66	0.22	250.22
Accumulated depreciation							
Balance at April 1, 2020	6.16	163.19	1.67	0.59	0.26	0.07	171.94
Depreciation expense	1.54	36.80	0.02	0.02	-	0.07	38.45
Disposals	-	(89.08)	-	-	-	-	(89.08)
Balance at March 31, 2021	7.70	110.91	1.69	0.61	0.26	0.14	121.31
Depreciation expense	1.54	26.20	0.04	0.02	0.04	0.07	27.90
Disposals	-	-	-	-	-	-	-
Balance at March 31, 2022	9.24	137.11	1.73	0.63	0.30	0.21	149.21
Carrying amount							
Balance at April 1, 2020	72.34	109.50	0.08	0.08	-	0.15	182.15
Additions	-	-	-	-	-	-	-
Disposals	-	(14.62)	-	-	-	-	(14.62)
Depreciation expense	(1.54)	(36.80)	(0.02)	(0.02)	-	(0.07)	(38.45)
Balance at March 31, 2021	70.80	58.08	0.06	0.06	-	0.08	129.08
Additions	-	-	0.48	-	0.40	-	0.88
Disposals	-	(1.00)	-	(0.04)	-	-	(1.03)
Depreciation expense	(1.54)	(26.20)	(0.04)	(0.02)	(0.04)	(0.07)	(27.90)
Balance at March 31, 2022	69.26	30.88	0.50	-	0.37	0.01	101.02

Note:

1. All the present and future property, plant equipments of the company are hypothecated to Alchemist Asset Reconstruction Company Limited.

Notes forming part of the Consolidated Financial Statements (contd.)

05. Goodwill	₹ in lakhs	
	<u>Goodwill</u>	<u>Total</u>
Cost or deemed cost		
Balance at April 1st, 2020	0.17	0.17
Additions	-	-
Disposals	-	-
Balance at March 31st, 2021	0.17	0.17
Additions	-	-
Disposals	-	-
Balance at March 31st, 2022	0.17	0.17
Accumulated impairment		
Balance at April 1st, 2020	-	-
Charge for the year	-	-
Disposals	-	-
Balance at March 31st, 2021	-	-
Charge for the year	-	-
Disposals	-	-
Balance at March 31st, 2022	-	-
Carrying amount		
Balance at April 1st, 2020	0.17	0.17
Additions	-	-
Disposals	-	-
Charge for the year	-	-
Balance at March 31st, 2021	0.17	0.17
Additions	-	-
Disposals	-	-
Charge for the year	-	-
Balance at March 31st, 2022	0.17	0.17
	As at 31.03.2022	As at 31.03.2021
	<u>Rs in lakhs</u>	<u>Rs in lakhs</u>
6 Investment property		
Investment in land		
Opening balance	266.07	266.07
Additions	-	-
Closing balance	266.07	266.07

Estimation of fair value

The Company's investment property consists of freehold land in Telengana and West Bengal, India. The fair value of the investment property is based on current prices for similar property. The main inputs used are quantum, area, location, demand, and trend of fair market value in the area.

The fair value is determined by an accredited independent valuer. Fair valuation is based on market approach method and categorised as Level 2 fair value hierarchy as at 31 March 2022 and 31 March 2021, the fair values of the property are 493 lakhs and 502 lakhs respectively.

Notes forming part of the Consolidated Financial Statements (contd.)

	Amount Face value per share	As at 31.03.2022		As at 31.03.2021	
		Qty Nos.	Amount Rs in lakhs	Qty Nos.	Amount Rs in lakhs
7 Non-current investments					
(A) Investments in subsidiaries (carried at cost)					
Investments in Equity Instruments of associates:					
Kaushalya Township Private Limited		3,18,237	23.04	3,18,237	12.91
Kaushalya Nirman Private Limited		46,000	-	46,000	-
Orion Abasaan Private Limited		29,000	-	29,000	-
		<u>3,93,237</u>	<u>23.04</u>	<u>3,93,237</u>	<u>12.91</u>
(B) Investments					
Total Investments carrying value					
Investments in Equity Shares (carried at fair value through other Comprehensive Income) :					
Unquoted Investments (all fully paid)					
Investments in Equity Instruments of:					
Enlightened Projects Limited*	10.00	-	-	1,95,500	244.75
Orkay Engineering Limited*	10.00	8,53,000	266.05	8,53,000	266.05
Flare Realty Engineering Private Limited*	10.00	2,600	0.18	2,600	0.18
		<u>8,55,600</u>	<u>266.23</u>	<u>10,51,100</u>	<u>510.98</u>
Associates					
Investments in 10% Non-cumulative Redeemable Preference Shares of:					
Kaushalya Township Private Limited	10.00	34,98,630	1,994.22	34,98,630	1,994.22
Kaushalya Nirman Private Limited	10.00	8,79,968	510.38	8,79,968	510.38
Orion Abasaan Private Limited	10.00	19,85,740	1,092.16	19,85,740	1,092.16
		<u>1,63,37,621</u>	<u>3,596.76</u>	<u>1,73,37,621</u>	<u>3,596.76</u>
		<u>1,71,93,221</u>	<u>3,862.00</u>	<u>1,83,88,721</u>	<u>4,107.74</u>

* Although, the Company holds more than 20% of the shareholding of the above mentioned companies but does not have significant influence over the same, accordingly the company has applied Ind AS 109: Financial Instruments for recognition and measurement of investments in the above mentioned companies.

Notes forming part of the Consolidated Financial Statements (contd.)

	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs	
8 Loans - non current			
(Unsecured Considered good)			
a) Security deposits (carried at amortised cost)	1,261.49	1,082.87	
Less: Loss allowance	(877.21)	(877.21)	
b) Loans to body corporate	101.10	229.47	
c) Loans to holding company	-	-	
d) Deposits with govt authorities	2.92	2.86	
	488.30	437.99	
9 Other financial assets			
a) Security deposit -NSDL	0.10	-	
	0.10	-	
10 Deferred tax assets (net)			
Deferred tax assets	456.53	485.21	
Deferred tax liabilities	(9.66)	(15.40)	
	446.87	469.81	
For the year ended 31.03.2022	Opening balance	Recognised in profit and loss	Closing Balance
Deferred tax (liabilities)/assets in relation to:	Rs in lakhs	Rs in lakhs	Rs in lakhs
Property, plant and equipment	(15.40)	(5.74)	(9.66)
Brought forward tax losses	483.01	28.68	454.33
Provision for employee benefits	2.20	-	2.20
	469.81	22.94	446.87
For the year ended 31.03.2021			
Deferred tax (liabilities)/assets in relation to:			
Property, plant and equipment	(22.11)	(6.71)	(15.40)
Brought forward tax losses	624.23	141.22	483.01
Provision for employee benefits	2.20	-	2.20
	604.32	134.51	469.81
Deferred tax asset has been recognised on brought forward tax losses in the current year and previous year. This is on account of the fact that recognition criteria of Deferred tax of has been met in light of the significant developments regarding restructuring of loans in the current year.			
11 Income tax assets (net of provision)			
At beginning of year	372.48	576.89	
Advance tax paid / (refunded)	(10.11)	(484.68)	
Provision offset against advance taxes	10.67	280.27	
At end of year- Advance tax/ (Provision for Tax)	373.04	372.48	
12 Other non-current assets			
Capital Advances	456.03	306.03	
Advances to related parties	216.17	-	
	672.19	306.03	
13 Inventories (At lower of cost and net realisable value)			
a) Work in progress (At lower of cost and net realisable value)	-	-	
b) Raw materials (At lower of cost and net realisable value)	3.76	5.26	
	3.76	5.26	

Notes forming part of the Consolidated Financial Statements (contd.)

	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
14 Trade receivables - current		
a) Unsecured, considered good	285.84	470.28
b) Unsecured, considered doubtful	1,242.24	1,263.10
Less: Allowance for Expected credit losses	(1,242.24)	(1,263.10)
	285.84	470.28

Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed trade receivables - considered good	-	-	-	-	2.08	2.08
(ii) Undisputed trade receivables - significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	6.24	6.24
(iv) Disputed trade receivables - considered good	-	-	-	-	283.76	283.76
(v) Disputed trade receivables - significant increase in credit risk	-	-	-	-	613.68	613.68
(vi) Disputed trade receivables - credit impaired	-	-	-	-	622.31	622.31

Movement in the expected credit loss allowance

Balance at the beginning of the year	(1,263.10)	(1,201.20)
Expected credit loss allowance created on trade receivables (Net), calculated at lifetime expected credit losses.	20.86	(61.90)
Balance at the end of the year	(1,242.24)	(1,263.10)

	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
15 Cash and cash equivalents		
a) Cash and cash equivalents		
i) Cash in hand	7.33	2.68
ii) Remittance in transit	-	-
iii) Balances with banks		
In current accounts	7.89	6.12
Total cash and cash equivalents	15.22	8.80
b) Other bank balances		
In deposit account (Unencumbered)	-	-
In deposit account (held as Margin/against Earnest Money Deposit/Performance Security/Others)	36.34	34.79
Total other balances with bank	36.34	34.79
Total cash and cash equivalents	51.56	43.59
Included above		
i) Earmarked balance held as Margin/ against Earnest Money Deposit/Performance Security/Others	36.34	34.79
16 Loans and advances (Current)		
a) Security deposits	231.89	231.09
Less : transferred to Non-current	(231.89)	-
b) Advance to staff	-	0.80
c) Loans to body corporate	-	5.00
	-	236.89

Notes forming part of the Consolidated Financial Statements (contd.)

	As at 31.03.2022 ₹ in lakhs	As at 31.03.2021 ₹ in lakhs
17 Other financial assets (Current)		
a) Interest accrued on financial assets carried at amortised cost	4.73	4.32
b) Other receivables	3.04	-
	7.77	4.32
18 Other current asset		
a) Balances with government authorities	15.30	9.33
b) Other Advances	0.70	0.38
	16.00	9.71
19. Share capital		
Authorised:		
3,50,00,000 Equity Shares of Rs. 10 each	3,500.00	3,500.00
(as at March 31, 2021 : 3,50,00,000 Equity Shares of Rs. 10/- each)	3,500.00	3,500.00
Issued, Subscribed and fully paid up:		
3,46,30,630 Equity Shares of Rs. 10 each	3,463.06	3,463.06
(as at March 31, 2021 : 3,46,30,630 Equity Shares of Rs. 10/- each)	3,463.06	3,463.06

Reconciliation of Number of shares and amount outstanding at the beginning and end of the reporting period

	For the year ended 31.03.2022		For the year ended 31.03.2021	
	No. of Shares	Amount Rs in lakhs	No. of Shares	Amount Rs in lakhs
Equity shares				
Issued, subscribed and fully paid up:				
At beginning and end of the year	3,46,30,630	3,463.06	3,46,30,630	3,463.06

Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31.03.2022		As at 31.03.2021	
	No. of Shares	%	No. of Shares	%
Mahanti Engineers Private Limited	50,82,600	14.68%	50,82,600	14.68%
Sun Kissed Merchandise Private Limited	50,22,900	14.50%	50,22,900	14.50%
Keleenworth Marketing Private Limited	43,36,350	12.52%	43,36,350	12.52%

Details of shareholding by promoters

SL.No	Promoters Name	No. of shares	% of total shares	% change during the year
1	Mahanti Engineers (P) Ltd.	53,07,600	15.33%	-
2	Sun Kissed Merchandise (P) Ltd.	50,22,900	14.50%	-
3	Keleenworth Marketing (P) Ltd.	43,36,350	12.52%	-
4	Prashant Mehra	9,17,760	2.65%	-
5	Ramesh Kumar Mehra (HUF)	8,38,000	2.42%	-
6	Rahul Mehra	3,92,434	1.13%	-
7	Mohini Mehra	1,54,600	0.45%	-
8	Pranav Mehra	1,34,410	0.39%	-
9	Kartik Mehra	1,12,000	0.32%	-
10	Anuradha Mehra	97,140	0.28%	-
11	Neeru Mehra	89,100	0.26%	-

Notes forming part of the Consolidated Financial Statements (contd.)

SL.No	Promoters Name	No. of shares	% of total shares	% change during the year
12	Ramesh Kr. Mehra - Karta of Baijnath Mehra (HUF)	72,500	0.21%	-
13	Raghav Mehra	72,500	0.21%	-
14	Karan Mehra	60,740	0.18%	-
15	Maresh Mehra	48,110	0.14%	-
16	Sidh Nath Mehra (HUF)	44,000	0.13%	-
17	Maresh Mehra (HUF)	35,000	0.10%	-
18	Purnima Mehra	31,320	0.09%	-
19	Ramesh Kumar Mehra	30,010	0.09%	-
20	Pooja Mehra	10,000	0.03%	-
		178,06,474	51.43%	-

Rights, preferences and restrictions attached to shares

Equity Shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

	As at 31.03.2022 Rs in lakhs	As at 31.03.2021 Rs in lakhs
20. Other Equity		
a) Securities premium	4,793.85	4,793.85
b) General reserve	484.87	484.87
c) Retained Earnings	(4,574.30)	(4,603.59)
d) Investment revaluation reserve	(163.34)	(211.84)
	541.08	463.29
a) Securities premium		
Balance as at the beginning and end of the year	4,793.85	4,793.85
	4,793.85	4,793.85
b) General reserve - Balance brought forward		
Balance as at the beginning and end of the year	484.87	484.87
	484.87	484.87

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of Section 52 of the Companies Act, 2013

Under the erstwhile Indian Companies Act, 1956, a general reserve was created through an annual transfer of net profit 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 though the Company may transfer such percentage of its profits for the financial year as it may consider appropriate. Declaration of dividend out of such reserve shall not be made except in accordance with rules prescribed in this behalf under the Act.

Notes forming part of the Consolidated Financial Statements (contd.)

	As at 31.03.2022 Rs in lakhs	As at 31.03.2021 Rs in lakhs
c) Retained earnings		
Balance as at the beginning of the year	(4,603.59)	(4,642.69)
Profit/ (Loss) for the year	29.29	39.10
Balance as at the end of the year	4,574.30	(4,603.59)

Retained Earnings are the profits and gains that the Company has earned till date and adjustments done on transition to Ind AS, less any transfer to general reserve, dividends or other distributions paid to shareholders.

d) Investment revaluation reserve		
Balance as at the beginning of the year	(211.84)	(211.72)
Changes during the year	48.50	(0.12)
Balance as at the end of the year	(163.34)	(211.84)

The Company has elected to recognise changes in the fair value of certain investments in equity instruments in Other Comprehensive Income. These changes are accumulated within the FVOCI equity investments reserve within equity. The Company transfers amounts from this reserve to Retained Earnings when the relevant equity shares are derecognised.

	% of noncontrolling interests as at March 31, 2022	As at March 31, 2022 Rs in lakhs	% of noncontrolling interests as at March 31, 2021	As at March 31, 2021 Rs in lakhs
21 Non Controlling Interest				
Non controlling interest of subsidiaries:				
a) KDC Nirman Limited	51.00%	8.98	51.00%	8.88
b) Bengal KDC Housing Development Limited	51.00%	98.24	51.00%	84.84
c) Kaushalya Energy Private Limited	95.50%	(2.93)	95.50%	(2.89)
d) Azur Solar KDC Private Limited	94.55%	-	94.55%	0.01
		104.29		90.84
		As at 31.03.2022 Rs in lakhs		As at 31.03.2021 Rs in lakhs
22 Provisions				
a) Provision for employee benefits (Gratuity)		8.46		8.46
		8.46		8.46
23 Current Borrowings				
A. Secured - at amortised cost				
a) Repayable on demand				
a) From banks		2,390.06		2,440.06
Total secured borrowings		2,390.06		2,440.06
24 Trade payables				
a) Total outstanding dues to micro enterprises and small enterprises		-		-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		62.09		63.52
Total trade payables		62.09		63.52

Trade Payables ageing schedule

Rs in lakhs

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) MSME	-	-	-	-	-
(ii) Others	2.43	0.31	-	59.36	62.09
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

Note:- The company does not have any outstanding dues to micro, small and medium enterprise for more than 45 days during the period and as on March 31, 2022 since it has not received any declaration/notice/letters from its creditors certifying or indicating them as Micro Small and Medium Enterprises.

Notes forming part of the Consolidated Financial Statements (contd.)

	As at 31.03.2022 Rs in lakhs	As at 31.03.2021 Rs in lakhs
25 Other financial liabilities		
Security Deposits	25.79	25.79
	<u>25.79</u>	<u>25.79</u>
26 Income tax liabilities		
At beginning of year	0.03	4.60
Changes for the year	10.34	17.49
Tax paid (Net) during year	(10.75)	(22.06)
At end of year- Advance tax/ (Provision for Tax)	<u>-</u>	<u>0.03</u>
27 Other current liabilities		
a) Advance received from customers	0.15	230.66
b) Advance from Joint Venture	-	84.00
c) Employee recoveries and employer's contributions	-	0.12
d) Statutory dues	2.74	2.50
Total other liabilities	<u>2.89</u>	<u>317.28</u>
	For the year ended 31.03.2022 ₹ in lakhs	For the year ended 31.03.2021 ₹ in lakhs
28 Revenue from operations		
Revenue from contract with customers		
a) Contracts receipts#	-	214.16
b) Receipts from hotel	11.89	10.44
c) Revenue from agricultural business	1.86	2.74
Revenue from Operations	<u>13.75</u>	<u>227.34</u>
Revenue recognised at a point in time	13.75	13.18
Revenue recognised overtime	-	214.16
#Revenue from Contract receipts under Revenue from Contract with Customers for the year ended March 31, 2021, includes Rs. 205.23 lakhs relating to contract work (including cost escalations) on reaching out a settlement through conciliation and closure of the Arbitration with National Highways Authority of India (NHAI).		
29 Other income		
a) Interest income on financial assets carried at amortised cost		
i) From fixed deposits	2.37	2.52
ii) From loans & advances	9.59	20.80
b) Liabilities/provision no longer required written back	0.29	90.89
c) Profit on sale of property, plant and equipment	-	0.39
d) Consultancy Income	0.10	0.81
e) Miscellaneous income#	-	432.66
Total other income	<u>12.35</u>	<u>548.07</u>
#Other income for the year ended March 31, 2021, includes Rs. 432.52 lakhs relating to delayed payment interest on reaching out a settlement and closure of the Arbitration with National Highways Authority of India (NHAI).		
30 Cost of materials consumed		
Raw materials consumed		
Opening stock of material	5.26	5.26
Add: Purchases	4.70	11.06
	<u>9.96</u>	<u>16.32</u>
Less: Closing stock of material	3.76	5.26
Total cost of materials consumed	<u>6.21</u>	<u>11.06</u>

Notes forming part of the Consolidated Financial Statements (contd.)

	For the year ended 31.03.2022 ₹ in lakhs	For the Year ended 31.03.2021 ₹ in lakhs
31 Changes in inventories of finished goods and work in progress		
Inventories at the beginning of the year		
a) Work-in-progress	-	41.04
	<u>-</u>	<u>41.04</u>
Inventories at the end of the year		
a) Work-in-progress	-	-
Net (increase)/decrease in inventories	<u>-</u>	<u>41.04</u>
32 Employee benefits expense		
a) Salaries and wages, including bonus	41.01	27.74
b) Contribution to provident and other funds	0.20	0.15
c) Workmen and staff welfare expenses	0.44	0.36
d) Director's Remuneration	11.40	11.40
Total employee benefits expense	<u>53.05</u>	<u>39.65</u>
33 Finance costs		
a) Interest expense on borrowings carried at amortised cost	0.17	0.56
b) Interest on income tax	2.93	1.08
Total finance costs	<u>3.10</u>	<u>1.64</u>
34 Depreciation expense		
a) Depreciation on Property, plant and equipments (Refer Note 04)	27.90	38.45
Total depreciation	<u>27.90</u>	<u>38.45</u>
35 Other expenses		
a) Consumption of stores, spare parts and loose tools	3.90	1.45
b) Repairs to buildings	-	-
c) Repairs to plant and machinery	2.73	2.60
d) Power and fuel	1.06	0.52
e) Rates, taxes and licenses	16.63	66.97
f) Electricity expenses	2.65	3.03
g) Insurance charges	0.07	0.33
h) Cultivation expenses	-	1.31
i) Selling and distribution expenses	0.58	0.82
j) Legal and professional fee	28.99	23.34
k) Travelling and conveyance expenses	3.05	2.72
l) Telephone expenses	0.27	0.32
m) Directors' sitting fees	1.39	1.16
n) Printing and stationery	0.76	0.40
o) Audit fees [Note 35.1]	1.52	1.42
p) Rent paid	8.40	8.40
q) Sundry balances written off	7.26	68.53
r) Loss Allowance created/(reversed) on security deposits	135.11	(56.78)
s) Loss Allowance created/(reversed) for trade receivables	(139.23)	61.90
t) Loss on sale of shares	48.88	-
u) Loss on assets discarded	1.03	-
v) Labour charges & allowances	8.66	-
w) Comission to Managing director	2.05	3.54
x) Other general expenses	7.83	11.90
Total other expenses	<u>143.62</u>	<u>203.88</u>
35.1 Audit fee includes payment to statutory auditor towards:		
i) Statutory audit fee	1.12	1.42
ii) Tax Audit fee	0.30	-
iii) Other services	0.10	-

Notes forming part of the Consolidated Financial Statements (contd.)

	For the year ended 31.03.2022 ₹ in lakhs	For the Year ended 31.03.2021 ₹ in lakhs
36 Exceptional Items		
Earlier years written off amounts recovered	291.63	-
	<u>291.63</u>	<u>-</u>
<p>Note - The company has entered into a joint venture for executing a contract for setting up a small hydro power project of 2 mega watts for Uttarakhand Jal Vidyut Nigam Ltd. It was decided that since the company was the lead partner and has 90% share in the contract, the entire execution was to be carried out by the company. Accordingly, the company incurred continuing overhead and other expenses including fixed expenses like salaries, other administration expenses, etc to execute the project works and charged the same to its Profit & Loss account. However, subsequently disputes arose in the project and the contract was terminated. Arbitration proceedings against Uttarakhand Jal Vidyut Nigam Ltd. for recovery of expenses already incurred by it alongwith loss of profits due to termination of the contract were initiated. The same were concluded in March' 2022 and award was received in favour of the Joint venture in April' 2022. Accordingly, the company has decided to recognise the amount of Rs 2.91 Crores, already spent on account of above project, as recoverable and accounted for the same under "Earlier years written off amounts recovered" in the books of accounts which is shown under "Exceptional Items" in the Financial results.</p>		
37 Income tax recognised in profit and loss		
Current tax		
In respect of the current year	10.44	17.66
In respect of earlier years	17.84	236.66
	<u>28.28</u>	<u>254.32</u>
Deferred tax		
In respect of the current year	22.94	131.34
	<u>22.94</u>	<u>131.34</u>
38 Earnings per share (in Rupees)		
Basic and diluted earnings per share		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Profit/ (loss) for the year	42.77	63.64
Profit/ (loss) attributable to the Equity Shareholders (A)	42.77	63.64
Weighted average number of equity shares for the purpose of basic earnings per share (B)	3,46,30,630	3,46,30,630
Face value of Equity shares (In Rupees)	10.00	10.00
Basic and diluted earnings per share (In Rs.)	0.12	0.18
The Company is not having any potential ordinary shares which are dilutive in nature.		
	As at 31.03.2022	As at 31.03.2021
	Rs in lakhs	Rs in lakhs
39 Additional information to the Financial Statements		
39.01 Contingent liabilities		
1 Claims not acknowledged as debts		
Income Tax Demand (Assessment Year 2004-05)	16.34	16.34
Income Tax Demand (Assessment Year 2009-10)	48.05	30.89
Income Tax Demand (Assessment Year 2010-11)	73.72	73.72
Income Tax Demand (Assessment Year 2012-13)	1,109.17	1,044.46
Income Tax Demand (Assessment Year 2013-14)	449.20	449.20
Income Tax Demand (Assessment Year 2014-15)	734.86	734.86
Income Tax Demand (Assessment Year 2017-18)	0.05	0.05
Income Tax Demand (Assessment Year 2018-19)	2.43	NIL
The WBVAT Act, 2003, VAT	817.10	817.10
The WBVAT Act, 2003, VAT	69.48	69.48
	<u>3,320.40</u>	<u>3,236.10</u>

Future cash outflows in respect of above matters are determinable only on receipt of judgments / decisions pending at various forums / authorities.

Notes forming part of the Consolidated Financial Statements (contd.)

	As at 31.03.2022	As at 31.03.2021
	Rs in lakhs	Rs in lakhs
39.02 Capital and other commitments		
a) Capital commitments		
Estimated value of contracts remaining to be executed on capital account	NIL	NIL
39.03 Contingent assets		
a) Dispute between the Company's client NPCC Ltd. and the principal NTPC Ltd. was settled in the favour of NPCC Ltd. to the tune of Rs. 8.55 Crores (Contingent Assets Rs. 5.70 crores) by the Permanent Machinery of Arbitration (P.M.A.) which is on and above the amount receivable from them. The principal, NTPC Ltd. has preferred an appeal before the Secretary P.M.A. which is pending disposal. As per terms of MOU with NPCC Ltd., the claim once received by NPCC Ltd. shall be passed on to the Company after deduction of margins of NPCC Ltd. and tax amounts.		
39.04 Disclosure on debt restructuring and settlement of loans taken from scheduled commercial banks		
i) The debts of Indian Overseas Bank (IOB) and State Bank of India (SBI) were taken over by Alchemist Asset Reconstruction Company (Trust VII) (ARC). The company has reached a settlement of its debts with respect to the amount taken over by ARC from SBI and restructuring of the debts with respect to the amount taken over from IOB by the ARC. The settlement amount with respect to SBI of Rs. 370.00 lakhs has been paid by the company to the ARC and the restructured amount relating to IOB of Rs. 1,302.50 is to be paid by the company to the ARC in quarterly instalments as per the restructuring schedule till March'24, out of which company has already paid Rs. 847.05 lakhs till March 31, 2022. Once the payment of final installment is done the company will issue Non Convertible Debentures of Rs.1000 lakhs to the ARC, subject to certain conditions.		
ii) The company has not yet recognised any gain/ notional gain on restructuring/ settlement of loan, pending filling of consent application/ application reflecting restructuring/settlement by Alchemist Asset Reconstruction Company Limited with the Debt Recovery Tribunal in the cases pending thereat. As per restructuring agreement, In case of failure to make payment as per schedule given in Annexure-B or in case of failure to comply with any other terms & conditions specified in Annexure-A, this restructuring shall stand revoked without any notice and any amount paid by you shall be forfeited and adjusted towards total dues.		
iii) Dispute between the company and the West Bengal Small Industries Development Corporation Ltd. (WBSIDCL) was awarded in favour of the Company through arbitration. WBSIDCL had preferred an appeal against the arbitration award u/s. 34 of the Arbitration & Conciliation Act, 1996 in Kolkata High Court. The award amount of Rs. 1,306.16 lakhs (Contingent Assets Rs. 927.11 lakhs) plus interest is pending as on March 31,2022.		
	For the year ended	For the year ended
	31.03.2022	31.03.2021
	Rs in lakhs	Rs in lakhs
40 Disclosures under Indian Accounting Standards		
40.01 Employee Benefits		
Defined Contribution plans		
The Company has not transferred any amount towards long term defined benefit obligations as the management estimates that provision for retirement benefits is sufficient. Further the company has made contribution to following defined contribution plans:-		
Provident and other funds	0.20	0.15
Total	0.20	0.15
Defined Benefit Plans		
The Company provided the following employee benefits		
Funded : Provident Fund		
Non Funded: Gratuity		
40.02 Details of the Gratuity Plan are as follows		
Description		
1. Reconciliation of opening and closing balances of obligation		
a. Obligation as at beginning of the year	8.46	8.46
b. Actuarial (gain)/loss	-	-
c. Benefits paid	-	-
d. Obligation as at end of the year	8.46	8.46

Notes forming part of the Consolidated Financial Statements (contd.)

	For the year ended 31.03.2022 <u>Rs in lakhs</u>	For the year ended 31.03.2021 <u>Rs in lakhs</u>
2. Reconciliation of fair value of plan assets and obligations		
a. Present value of obligation	8.46	8.46
b. Fair value of plan assets	-	-
c. Amount recognised in the balance sheet Asset/(Liability)	(8.46)	(8.46)
3. Expenses recognised during the year		
a. Current service cost	-	-
b. Interest cost	-	-
c. Expected return on plan assets	-	-
d. Actuarial (gain)/loss	-	-
e. Expenses recognised during the year	-	-
40.03 Segment Reporting		
The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Management, in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.		
The Group has two principal operating and reporting segments; viz. Construction & Hotel.		
The accounting policies adopted for segment reporting are in line with the accounting policy of the group with following additional policies for segment reporting:-		
a)	Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".	
b)	An operating segment is classified as Reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.	
c)	Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".	
d)	As per Indian Accounting Standard 108 - Operating Segments, the group has reported segment information on consolidated basis including businesses conducted through its subsidiaries.	
	2021-22	2020-21
	<u>Rs in lakhs</u>	<u>Rs in lakhs</u>
01 Segment Revenue		
a) Construction	-	214.16
b) Hotel	13.75	13.18
Total Revenue	<u>13.75</u>	<u>227.34</u>
02 Segment Results		
a) Construction	(203.89)	(103.36)
b) Hotel	(13.13)	(3.38)
Total	<u>(217.02)</u>	<u>(106.74)</u>
Less: Finance cost	3.10	1.64
Other unallocable (income)/expenditure	(303.98)	(548.07)
Less: Profit / (Loss) of associate	10.13	12.91
Profit/ (loss) before Tax	93.99	452.60
Less: Tax expense	51.22	388.83
Profit/ (loss) before Tax	<u>42.77</u>	<u>63.77</u>
03 Capital Employed		
Segment Assets		
a) Construction	6,492.70	6,767.16
b) Hotel	105.04	105.17
Total assets	<u>6,597.74</u>	<u>6,872.33</u>
Segment Liabilities		
a) Construction	2,488.36	2,854.16
b) Hotel	0.94	0.98
Total liabilities	<u>2,489.30</u>	<u>2,855.14</u>

Notes forming part of the Consolidated Financial Statements (*contd.*)

41 Financial instruments

41.01 Capital management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company. The Company determines the amount of capital required on the basis of annual business plan also taking into consideration any long term strategic investment and expansion plans. The funding needs are met through equity and cash generated from operations.

The Company manages its capital to ensure that entities will be able to continue as going concerns while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Capital structure of the Company consists of net debt (borrowings as detailed in note 21 offset by cash and bank balances) and the total equity of the Company.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, long term-term borrowings, short-term borrowings, less cash and short-term deposits.

41.02 Financial risk management

41.02.01 Interest Rate Risk Management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. Currently the company does not have any debt and hence it is not exposed to any risk of changes in market interest rates.

41.02.02 Credit risk management

On going credit evaluation is performed on the financial condition of accounts receivable.

41.02.03 Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the maturity profile of Company's non-derivative financial liabilities with agreed repayment period. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

41.03 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using derivative financial instruments to hedge risk exposures. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on foreign exchange risks, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

The corporate treasury management reports on quarterly basis to the board of directors that monitors risks and policies implemented to mitigate risk exposures.

41.04 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company enters into derivative financial instruments to manage its exposure to foreign currency risk and interest rate risk.

42 Financial instruments

42.01 Credit risk management

Credit risks refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables, finance receivables, loans and advances and derivative financial instruments. None of the financial instruments of the Company result in material

Notes forming part of the Consolidated Financial Statements (contd.)

concentrations of credit risks. The Company does not engage in speculative treasury activity but seeks to manage risk and optimise interest and commodity pricing through proven financial instruments.

The credit risk on bank balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. On going credit evaluation is performed on the financial condition of accounts receivable.

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings.

42.01.01 Interest Rate Risk Management

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of change in market interest rates. Currently the company does not have any debt and hence it is not exposed to any risk of changes in market interest rates.

42.01.02 Credit risk management

Credit risks refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks. The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. Financial instruments that are subject to concentrations of credit risk, principally consist of trade receivables, finance receivables and loans and advances. None of the financial instruments of the Company result in material concentrations of credit risks. The Company does not engage in speculative treasury activity.

The credit risk on bank balances is limited because the counterparties are banks with high credit ratings.

On going credit evaluation is performed on the financial condition of accounts receivable.

42.01.03 Liquidity risk management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital lines from various banks. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following tables detail the maturity profile of Company's non-derivative financial liabilities with agreed repayment period. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

				₹ in lakhs
	<u>Current/ Non Current</u>	<u>Carrying amount</u>	<u>Less than 3 months</u>	<u>3 months to 1 year</u>
As at 31.03.2022				
Borrowings	Current	2,390.06	-	2,390.06
Trade payables	Current	62.09	-	62.09
		<u>2,452.16</u>	<u>-</u>	<u>2,452.16</u>
As at 31.03.2021				
Borrowings	Current	2,440.06	-	2,440.06
Trade payables	Current	63.52	63.52	-
		<u>2,503.58</u>	<u>63.52</u>	<u>2,440.06</u>

43 Fair value measurements

43.01 Fair value measurements

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3.13 to 3.15.

Financial assets and Liabilities

The following table summarises financial assets and liabilities measured at fair value on a recurring basis and financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosure are required):

Notes forming part of the Consolidated Financial Statements (contd.)

		As at March 31, 2022					
	Current/ Non Current	Fair Value through Other Profie or Loss	Fair Value thorough OCI	Amortised Cost	Total Carrying Value	Total Fair Value	
Financial Assets:							
Investments in equity instruments	Non Current	-	266.23	-	266.23	266.23	
Investments in preference shares	Non Current	3,596.76	-	-	3,596.76	3,596.76	
Loans	Non Current	-	-	488.30	488.30	488.30	
Trade receivables	Current	-	-	285.84	285.84	285.84	
Cash and cash equivalent	Current	-	-	15.22	15.22	15.22	
Other balances with Bank	Current	-	-	36.34	36.34	36.34	
Loans	Current	-	-	-	-	-	
Other financial assets	Current	-	-	7.77	7.77	7.77	
Total		<u>3,596.76</u>	<u>266.23</u>	<u>833.48</u>	<u>4,696.47</u>	<u>4,696.47</u>	
Financial Liabilities							
Borrowings	Current	-	-	2,390.06	2,390.06	2,390.06	
Trade payables	Current	-	-	62.09	62.09	62.09	
Other financial liabilities	Current	-	-	25.79	25.79	25.79	
Total		<u>-</u>	<u>-</u>	<u>2,477.95</u>	<u>2,477.95</u>	<u>2,477.95</u>	
		As at March 31, 2021					
Financial Assets:							
Investments in equity instruments	Non Current	-	510.98	-	510.98	510.98	
Investments in preference shares	Non Current	3,596.76	-	-	3,596.76	3,596.76	
Loans	Non Current	-	-	430.73	430.73	430.73	
Trade receivables	Current	-	-	470.28	470.28	470.28	
Cash and cash equivalent	Current	-	-	8.80	8.80	8.80	
Other balances with Bank	Current	-	-	42.05	42.05	42.05	
Loans	Current	-	-	236.89	236.89	236.89	
Other financial assets	Current	-	-	4.32	4.32	4.32	
Total		<u>3,596.76</u>	<u>510.98</u>	<u>1,193.07</u>	<u>5,300.81</u>	<u>5,300.81</u>	
Financial Liabilities							
Borrowings	Current	-	-	2,440.06	2,440.06	2,440.06	
Trade payables	Current	-	-	63.52	63.52	63.52	
Other financial liabilities	Current	-	-	25.79	25.79	25.79	
Total		<u>-</u>	<u>-</u>	<u>2,529.37</u>	<u>2,529.37</u>	<u>2,529.37</u>	

Fair Value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Notes forming part of the Consolidated Financial Statements (*contd.*)

₹ in lakhs

	As at 31.03.2022			Total
	Level 1	Level 2	Level 3	
Financial assets:				
Investments in equity instruments	-	-	266.23	266.23
Investments in preference shares	-	-	3,596.76	3,596.76
Total	-	-	3,862.99	3,862.99

	As at 31.03.2021			Total
	Level 1	Level 2	Level 3	
Financial assets:				
Investments in equity instruments	-	-	510.98	510.98
Investments in preference shares	-	-	3,596.76	3,596.76
Total	-	-	4,107.74	4,107.74

44 Related party transactions

List of related parties and relationship

Name of the related party	Nature of Relationship	Business	Country of Incorporation	Incorporation details
KDC Nirman Ltd.	Subsidiaries	Real estate development	India	04.03.2008
Bengal KDC Housing Development Ltd.	Subsidiaries	Housing projects	India	28.06.2006
Kaushalya Energy (P) Ltd.	Subsidiaries	Generation and distribution of power	India	15.09.2008
Azur Solar KDC (P) Ltd.	Step Down Subsidiary	Generation and Distribution of Solar Power	India	19.05.2010
Kaushalya Nirman (P) Ltd.	Associates	Real estate development	India	05.09.2006
Orion Abasaan (P) Ltd.	Associates	Housing projects	India	05.09.2006
Kaushalya Township (P) Ltd.	Associates	Real estate development	India	05.09.2006
KIDCO NACC JV	Joint Venture	Construction of Small Hydro Power Project	India	01.07.2009
Mahesh Mehra	Whole time Director of Holding Company			
Ramesh Kumar Mehra	Director of Subsidiary Company			
Prashant Mehra	Managing Director of Subsidiary Company			
Ramkrishna Mondal	Independent Director of Holding Company			
Asoke Das	Independent Director of Subsidiary Company			
Asok Kumar Roy Chowdhury	Independent Director of Subsidiary Company			
Minoti Nath	Independent Director of Holding & Subsidiary Company			
Dipankar Sinha	Independent Director of Subsidiary Company			
Sandip Sarkar	Independent Director of Holding Company			
Tarak Nath Mishra	Whole time Director & CFO of Holding Company			
Sanjay Lal Gupta	Whole time Director & Co. Secretary of Holding Company and Co. Secretary of Subsidiary Company			
Neeru Mehra	Spouse of Brother of Whole Time Director of Holding Company			
Karan Mehra	CFO of Subsidiary Company			

Notes forming part of the Consolidated Financial Statements (contd.)

Particulars	KMP & Close members of their family	Subsidiaries/ Associates/ JV	Total	Outstanding as on March 31, 2022	Outstanding as on March 31, 2021
Remuneration/ Commission paid to KMP					
Maresh Mehra	11.40	-	11.40	-	-
Ramesh Kumar Mehra	15.00	-	15.00	-	-
Prashant Mehra	2.05	-	2.05	1.95	3.40
Tarak Nath Mishra	5.41	-	5.41	-	0.44
Sanjay Lal Gupta	3.37	-	3.37	-	0.25
Total	37.23	-	37.23	1.95	4.09
Previous Year					
Maresh Mehra	11.40	-	11.40	-	-
Ramesh Kumar Mehra	15.00	-	15.00	-	-
Prashant Mehra	3.54	-	3.54	3.40	-
Tarak Nath Mishra	5.28	-	5.28	0.44	-
Sanjay Lal Gupta	2.55	-	2.55	0.25	-
Total	37.77	-	37.77	4.09	-
Sitting Fee to directors					
Ramkrishna Mondal	0.20	-	0.20	-	-
Sandip Sarkar	0.60	-	0.60	0.15	-
Asok Kumar Roy Chowdhury	0.14	-	0.14	-	-
Asoke Das	0.21	-	0.21	0.03	-
Minoti Nath	0.81	-	0.81	0.18	-
Total	1.95	-	1.95	0.37	-
Previous Year					
Ramkrishna Mondal	0.27	-	0.27	-	-
Asoke Das	0.16	-	0.16	-	-
Sandip Sarkar	0.45	-	0.45	-	-
Asok Kumar Roy Chowdhury	0.07	-	0.07	-	-
Minoti Nath	0.61	-	0.61	-	-
Total	1.55	-	1.55	-	-
Rent Paid					
Neeru Mehra	6.00	-	6.00	-	-
Total	6.00	-	6.00	-	-
Previous Year					
Neeru Mehra	6.00	-	6.00	-	-
Total	6.00	-	6.00	-	-
Kidco NACC JV	-	(300.16)	(300.16)	(216.17)	84.00
Total	-	(300.16)	(300.16)	(216.17)	84.00
Previous Year					
Kidco NACC JV	-	5.65	5.65	84.00	-
Total	-	5.65	5.65	84.00	-
			As at 31.03.2022		As at 31.03.2021
			Rs in lakhs		Rs in lakhs
45 Disaggregation of Revenue from contracts with customers					
India					
Revenue from operations					
a) Contracts receipts			-		214.16
b) Receipts from hotel			11.89		10.44
c) Revenue from agricultural business			1.86		2.74
			13.75		227.34
Contract Assets					
Trade receivables			285.84		470.28
Contract Liabilities					
Advance from customers			0.15		-



If undelivered Please Return to :

Kaushalya Infrastructure Development Corporation Ltd.

CIN : L51216WB1992PLC055629

HB 170, Sector III, Salt Lake

Kolkata - 700 106