



Date: 04.09.2022

To The Corporate Relationship Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	To National Stock Exchange of India Ltd. Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051
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Sub: Submission of a Copy of Annual Report along with the Notice of Annual General Meeting (AGM) as required under Reg. 34(1) of SEBI (LODR) Regulations, 2015

Ref. - SCRIP CODE & ID: 543240, LIKHITHA

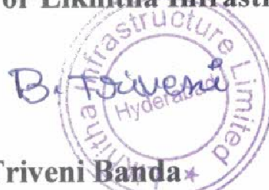
Dear Sir/Madam,

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are herewith enclosing the annual report of the Company along with the notice of AGM for the financial year 2021-22, which is being sent to the members of the Company through electronic mode.

The above said annual report along with notice is also uploaded on the website of the Company and the web link is

https://www.likhitha.co.in/img/content/annual-reports/Annual_Report_2021-22.pdf

**Thanking you,
For Likhitha Infrastructure Limited**



**Triveni Banda
Company Secretary & Compliance Officer
M. No. A68042**

ANNUAL
2021 **22**
REPORT

LIKHITHA INFRASTRUCTURE LIMITED

**FUELING
THE
FUTURE**

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Forward - looking statements

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

A SNAPSHOT OF LIKHITHA

Likhitha Infrastructure Limited took birth in 1998. It has since emerged in India as a widely preferred Oil and Gas Pipeline Infrastructure Services provider, with industry-acclaimed expertise in laying pipelines, along with construction of associated facilities. We have so far laid over 1000 km of pipelines, in both the public and private sectors.

We provide best-in-class services, distinguished by high quality consciousness, timely delivery and robust solutions for diverse customer-specific requirements. Our promoter-cum-Managing Director, Mr Gaddipati Srinivasa Rao, is a technocrat with over three decades of vast technical and hands-on experience in the businesses that we operate.

We have a strong Pan-India presence, covering over 17 States and 2 Union Territories. This geographical reach and diversity has helped us achieve operating efficiencies, become competitive and deliver sustainable margins. Our service-oriented approach has earned for us the business trust and reliance of several large Public Sector undertakings.

Riding on our strong technical expertise and business efficiencies, we are relentlessly scaling up our operations and firming our imprint in this extremely dynamic sector. All through our impressive growth, we have always kept our sights trained on backing our promise with our performance.

24

years of industry experience



1000+

kms of pipeline built successfully



Experienced

top management



Strong

technical qualification to bid successfully for new projects



OUR JOURNEY

Since our incorporation in 1998, our company has witnessed significant milestones and achievements that have contributed to its illustrious journey of growth over the years.

Bagged our first Operations & Maintenance (O&M) services project.

2014

Expanded our capabilities with our first cross-country pipeline project with associated facilities.

2013

Change in name from 'Likhitha Constructions Private Limited' to 'Likhitha Infrastructure Private Limited'.

2011

Started work on our first city gas distribution pipeline project.

2006

Incorporated as 'Likhitha Constructions Private Limited'.

1998

Stepped successfully into Silver Jubilee year

2022

Listed on BSE and NSE with an Initial Public Offer (IPO)
of 51,00,000 Equity Shares

2020

Became a public limited company; commissioned a 69km-long 10" pipeline
project from Motihari (Bihar, India) to Amlekhganj (Nepal)

2019

Bagged our first ₹10,000 Lakhs
cross-country pipeline project.

2018

Annual revenues from operations crossed
₹10,000 Lakhs for the first time; bagged our first
₹5000 Lakhs O&M services project.

2017

Completed our first
50 km-long cross-country
pipeline project.

2015



Performance Indicators of

FY 2021-22

(Standalone)

Profit Before Tax (PBT)

6,047.40 (in Lakhs)

Total Income

26,069.68 (in Lakhs)

Earnings Per Share - Basic & Diluted

23.05 (Face Value of ₹ 10/- each)

Net Profit

4,546.57 (in Lakhs)

Net Cash from Operating Activities

290.57 (in Lakhs)

Net Cash used for Investing Activities

939.09 (in Lakhs)



OUR

VISION

To provide services

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



OUR MISSION

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



OUR BUSINESS OBJECTIVES



Our Company has successfully laid around 1000+ Kms of Oil and Gas pipelines including steel and Medium-Density Polyethylene (“MDPE”) networks. Additionally, our Company has laid approximately 600 km of Oil and Gas pipelines for ongoing projects. Further, we have increased the scale of our operations by adopting a strategy of expansion across regions and have strategically expanded to geographies where there is a demand for providing pipeline infrastructure and O&M services. We believe that the growth and development of our Company during the past years have been the result of our client-centric approach and core competence in the field of pipeline infrastructure. We aim at sustainable profitable growth by executing projects in time to the satisfaction of our clients.

“We have established a track record of executing the majority of our projects successfully in a timely manner and have developed and enhanced competencies in the areas in which we operate”.

Our Business Objectives are:

- Achieve total customer satisfaction by adhering to international quality, safety standards and specifications in the pipeline laying industry with a positive attitude and approach by adopting environmentally friendly and latest technologies.
- Protect the health and safety of our company personnel while minimizing damage caused to the environment by controlling the hazards and impacts associated with operations.
- Increase our services for existing geographical areas and provide services to upcoming geographical areas.



WE BELIEVE THAT



Our employees are our most important resource, and together we work tirelessly to identify and make the work environment free from potential hazards and risks, thereby strengthening our health and safety management culture.

To fuel its rapid growth plans, the Company has enhanced its focus on improving human resource productivity and efficiency. The employees' skills, abilities, and knowledge are constantly updated both to meet the industry standards and also to satisfy the customers' needs.

Quality and timely delivery of projects and client satisfaction is the utmost priority.

The Company continues to take care of employee welfare. Every single employee should have the right to be able to live and work, free from the risk of injuries and accidents, which underpins our mission for safety.

The Company has an exemplary track record of cordial and harmonious industrial relations.



OUR BUSINESS STRENGTHS THAT SET US APART

Highly Experienced Management Team

Led by its Promoter and Managing Director, Mr Srinivasa Rao Gaddipati, the Company is managed by highly accomplished professionals with a strong sense of collective leadership, a growth-oriented approach and farsighted business development strategies. Comprising hands-on experts with considerable operational / technical capabilities, management skills, business development experience and financial management skills, Likhitha's Management Team has the requisite experience to efficiently run the company's operations across all its businesses, with a keen eye on opportunities for growth and expansion.

Efficient Business Model

Likhitha's phenomenal growth is largely due to its well-calibrated, process-driven business model that identifies and assesses its projects with emphasis on delivery of customer delight with cost optimization. Our business model comprises several crucial and strategic steps that help boost our operational efficiencies.

Robust Financial Performance

Year on year, the Company has consistently been delivering strong financial results and maintaining a robust Balance Sheet. We have had an impressive 35.21% CAGR in Income from Operations from FY 2015 till date, supplemented by a 56.43% CAGR in Profit after Taxation over the same period on its standalone basis.

Scalable Operations

Our endeavor is to maintain a high Return on Capital Employed (ROCE), positive operating cash flow and shorter debtor cycles to help us maintain adequate working capital and spur good growth. This also helps us better manage unanticipated cash flow variations and be prepared for unforeseen challenges. As per recently announced Government policy, PNGRB has increased the number of Geographical Areas (GAs) to 293, comprising 617 districts in India, covering 96% of Indian population and 86% of its area. This augurs well for oil and gas infrastructure service providers like LIL, which already has a dominant presence in City Gas Distribution, and also gives a competitive advantage in accessing projects along with construction of CNG stations.

Strong Project Execution Capabilities

With our experience and expertise gathered over 24 years, our large equipment base, technically qualified and experienced employee pool, effective cost control mechanisms and superior project management systems, we are well positioned to execute large and complex projects.

Long-Term Relationships with Clients

We have built very strong client relations across India, which gives us repetitive business associations with major oil and gas companies in spite of mounting competition. It is our constant endeavor to provide them with the best services available, catering to all their requirements, which results in improving our business sustainability.

Diverse Fleet of Sophisticated Equipment

We own and maintain a diverse range of well-managed and operated equipment (pipelayers (side-boom), excavators, horizontal directional drilling machines, compressors, generator sets, welding machines, etc.) that help meet most requirements for our on-going projects and also for any future projects. Our horizontal directional drilling machines make us more cost-effective than our competitors, who generally hire them.

Employees

Our 1100+ workforce plays a crucial role in delivering our projects on time and meet our business goals. To sustain Company's forward momentum, we continually develop their work-related skills and knowledge which we believe are highly crucial. We engage them in activities that promote their wellbeing, performance, togetherness and combined effort. They are provided with a working ambience that shows them that their individual contributions to the company are cherished and valued.

Environment, Health and Safety (EHS) Values

EHS is the Company's first leadership value. Our purpose in being a sustainable business is best served by caring for our people and ensuring their wellbeing along with minimising environmental footprint.

EMINENT LEADERSHIP

AT THE HELM



Sivasankara Parameswara Kurup Pillai
Chairman and Independent Director

Mr. Sivasankara Parameswara Kurup Pillai has over 40 years' experience, and is a pioneer in Oil & Gas pipeline projects, having worked with several organizations. An expert in chemical and petrochemical plants, cross-country pipelines, tank farms and refineries, he was instrumental in shaping many contracting companies and executing several projects all over India and abroad involving construction of carbon steel and MDPE pipelines along with terminal stations. He monitors the techno-commercial aspects of our operations.



Srinivasa Rao Gaddipati
Managing Director

Mr. Srinivasa Rao Gaddipati is the Company Founder and Promoter. He has over three decades' technical experience in oil and gas infrastructure business, and is the guiding force in steering the company's successful business strategies. He has exposure in all business verticals and is engaged in supervising and conducting Company's business, along with a team of senior management personnel, who assist him in carrying out his activities under the overall supervision and guidance of the Board of Directors.



Likhitha Gaddipati
Whole-Time Director and Chief Financial Officer

Mrs. Likhitha Gaddipati is the Promoter, Whole-Time Director and CFO of our Company. She completed a Bachelor of Technology in Computer Science and Engineering from SRM University, Tamil Nadu, India, and a Master's in Information Technology and Management from Illinois Institute of Technology, Chicago, Illinois, USA. She has vast experience in finance and project management and has worked with one of the big four accounting firms i.e., PWC and one of the biggest Tech Giant Uber and few other Companies.



Sri Lakshmi Gaddipati
Non-Executive Director

Mrs. Sri Lakshmi Gaddipati has been associated with the Company since its inception. She has significant experience in its overall administration, and has played a crucial role in growth of the Company. She monitors the implementation of CSR policies and also assists in evaluation of performance of key personnel of the Company.



Kutumba Rao Gaddipati
Non-Executive Director

Mr. Kutumba Rao Gaddipati has been with the Company since 1998. He has done his M.Sc. (Electronics & Control Systems Engineering) from BITS, Pilani (Rajasthan). He has vast experience in Engineering Management, having worked as Senior Scientist in ISRO; as Manager R&D-IC Design in Sun Electronics Technologies; as Senior Specialist-VLSI/System Design in Wipro Technologies; as Director-IC Design Engineering in Audio Video Millennium, Inc (USA); as Senior Manager R&D-IC Design in Broadcom Ltd (USA) and as Director of Engineering in Marvell Semiconductor (USA).



Venkata Sesha Talpa Sai Munupalle
Non-Executive Independent Director

Mr. Talpa Sai Venkata Sesha Munupalle is a Commerce graduate from Andhra University and a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He has worked with Hindustan Cables Ltd (a CPSU) and with HMT Bearings Ltd (subsidiary of HMT Ltd, a CPSU) before retiring from it as Joint General Manager (Finance) in 2008. He holds a Certificate of Practice as a Chartered Accountant, and has wide-ranging knowledge and experience in Accounting, Finance, Budgeting, Taxation and Audit.



Venkatram Arigapudi
Non-Executive Independent Director

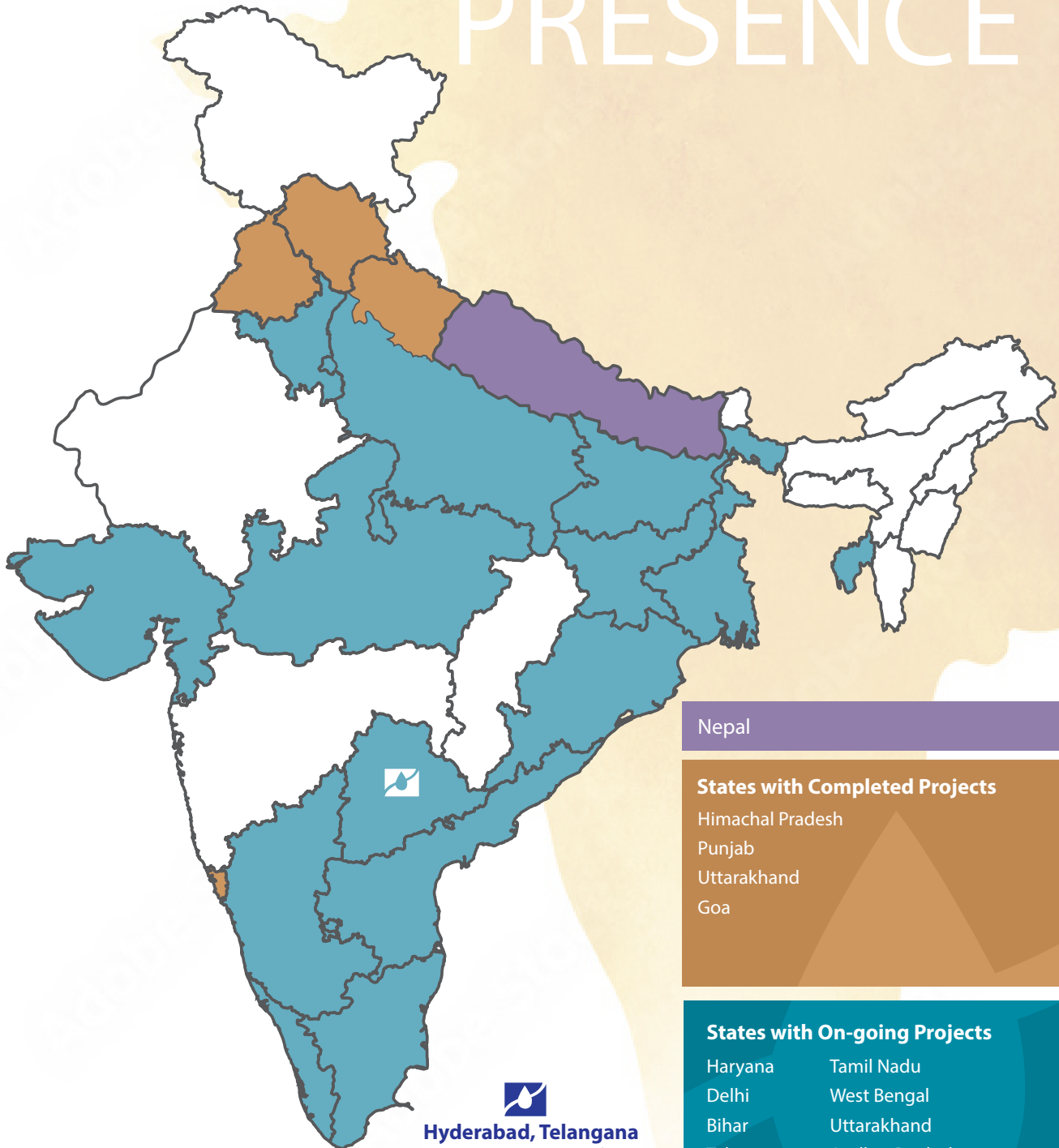
Mr. Venkatram Arigapudi is an Agriculture graduate from Agriculture College, Bapatla (Andhra Pradesh), and has done various management courses conducted by ASCI (Hyderabad) and IIM (Kolkata). He retired from the Adventz Group in 2017 as National Sales Head. With over 42 years' experience in agri-inputs marketing, he has been instrumental in Company's public relations, business development, training and core-team building.



Jayashree Voruganty
Non-Executive Independent Director

Ms. Jayashree Voruganty is a qualified Chartered Accountant dealing with Government Audits, GST, Taxation and Accountancy. She has over 23 years of post-qualification experience in Finance, Accounting, Budgeting, Taxation and Audit. She has done her PG Diploma in Management from IIM (Ahmedabad) and MBA from Xavier School of Management (XLRI), and is also ICAI-certified courses of in Forensic Accounting and Fraud Detection & Public Finance & Government Accounting.

GEOGRAPHICAL PRESENCE



Nepal

States with Completed Projects

- Himachal Pradesh
- Punjab
- Uttarakhand
- Goa

States with On-going Projects

- Haryana
- Delhi
- Bihar
- Telangana
- Jharkhand
- Gujarat
- Karnataka
- Kerala
- Tamil Nadu
- West Bengal
- Uttarakhand
- Andhra Pradesh
- Odisha
- Madhya Pradesh
- Tripura


Hyderabad, Telangana
Our corporate office

OUR CLIENTELE



GAIL India Limited (GAIL)



GAIL Gas Limited (GGL)



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



Hindustan Petroleum Corporation Limited (HPCL)



Indian Oil Corporation Limited (IOCL)



Oil and Natural Gas Corporation (ONGC)



Indian Oil- Adani Gas Private Limited (IOAGPL)



Torrent Gas Private Limited (TGPL)



Green Gas Limited (GGL)



Indraprastha Gas Limited (IGL)



Haryana City Gas



Indradhanush Gas Grid Limited (IGGL)



Bharat Petroleum Corporation Limited (BPCL)



Atlantic, Gulf & Pacific (AG&P)



Avantika Gas Limited

BUSINESS SEGMENTS

We are an Oil & Gas Pipeline Infrastructure service provider in India, focused on laying pipeline networks along with the construction of associated facilities (Initiation to commissioning) and providing Operations & Maintenance services for Oil & Gas Companies in India. We are a pioneer in Oil & Gas pipeline projects.

We are the first company, who have executed the “FIRST TRANS-NATIONAL CROSS COUNTRY PIPELINE PROJECT” connecting India to Nepal in South-East Asia for M/s. Indian Oil Corporation Limited.

The Company’s business operations can be broadly classified under the two main categories of Pipeline Infrastructure projects and Operation & Maintenance (O&M) Services.



Cross-Country Pipeline Projects (CCP)

City Gas Distribution (CGD) Projects



Operation & Maintenance (O&M) Services



Cross-Country Pipeline Projects (CCP)

The Company's pipeline infrastructure business consists of projects associated with laying of pipelines over long distances across the country, along with the construction of associated facilities.

Cross Country pipeline projects and associated facilities

- Laying of Carbon Steel Pipeline
- Mechanical Piping Work
- Construction of Civil works
- Electrical, Instrumentation & Telecom Works
- Fire & Gas Detection works



City Gas Distribution (CGD) Projects

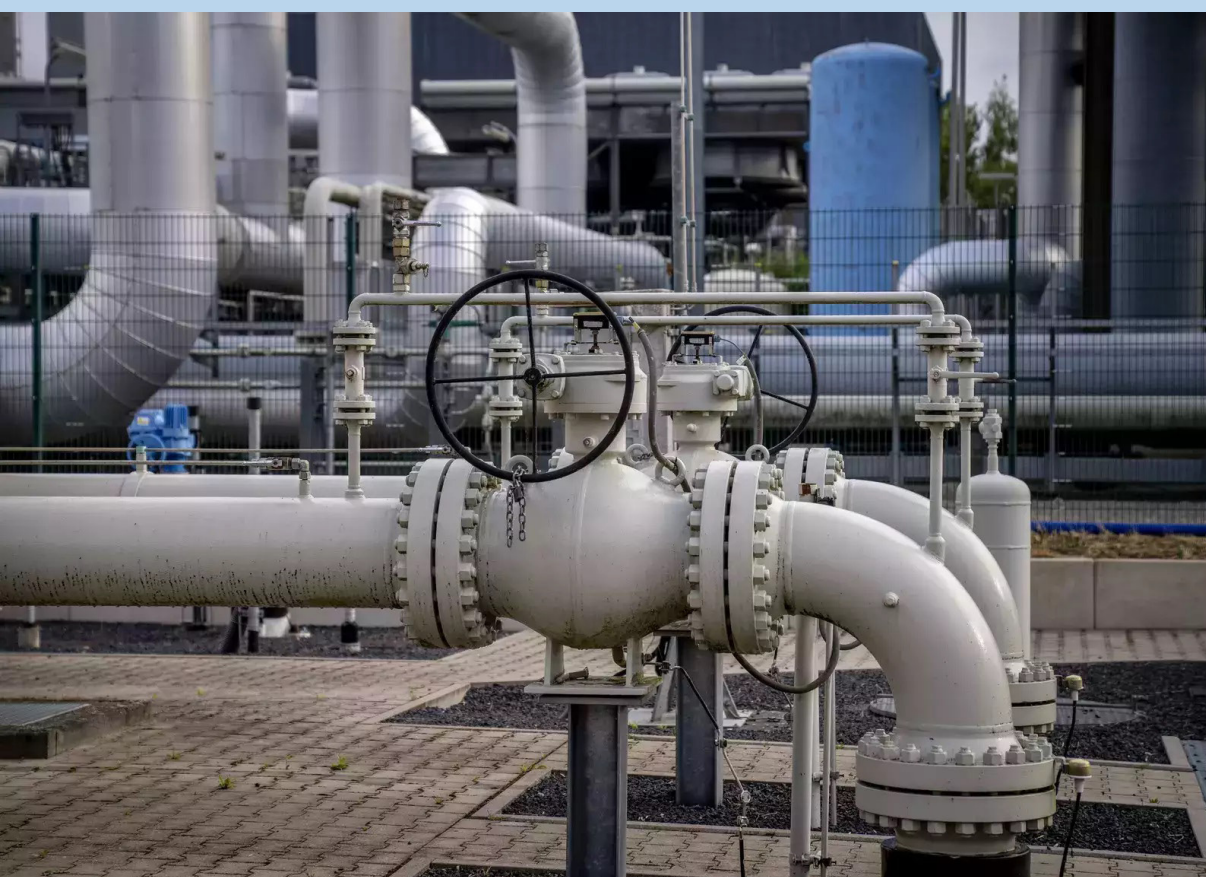
City Gas Distribution (CGD) projects forms an integral part of this business segment that involve transportation and distribution of natural gas to consumers across domestic, commercial or industrial sector through a network of pipeline.

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

Operation & Maintenance (O&M) Services

We provide O&M Services to Oil & Gas Companies covering management services for their existing pipeline network, other repairs, modernization, scheduled shutdowns, overhauling and maintenance (including manpower / replacement / tools deployment).

- Manpower supply
- Emergency Repair & Maintenance works



OUR KEY PIPELINE PROJECTS

- Jagdishpur-Haldia-Durgapur-Bokaro Project: Approx. 125 km – long 12" pipeline (Dobhi-Durgapur-Haldia section) along with spur-lines.
- Bantumilli and Ullampura Project: Approx. 40 km – long 12" pipeline, along with construction works.
- Muzzaffarpur- Motihari pipeline project (MMPL): Approx. 111 kms – long 12" LPG pipeline along with station works.
- Section 5&9 for North East Gas Grid (NEGG): Approx. 121 kms – long 12" pipeline and terminal works along with associated facilities of IGGL.
- Steel pipeline laying and associated works for Tamilnadu and Kerala region of AGP- 12", 8", 6", & 4" – 350 kms approx.
- Steel pipeline laying and associated works for mainpuri & shahjahanpur regions of HPCL, 10", 6" & 4" – 115 kms approx.

Prestigious and World's longest pipeline i.e., Cross Country LPG pipeline 20" / 18" / 12.75" / 10.75" – 902 kms for IHB Limited (a consortium of IOCL, HPCL and BPCL) comprising of:

- IOCL Sanand Kandla-Gorakhpur Project: 127 kms – long 18" LPG pipeline (Sanand-Dumad section) along with station works – Group 06
- Kandla-Gorakhpur Project: 93 kms – long 12" and 30 kms – long 10" LPG pipelines (Rodapur T-Point-Varanasi section) along with station works – Group 16

Key highlights for FY 2021-22

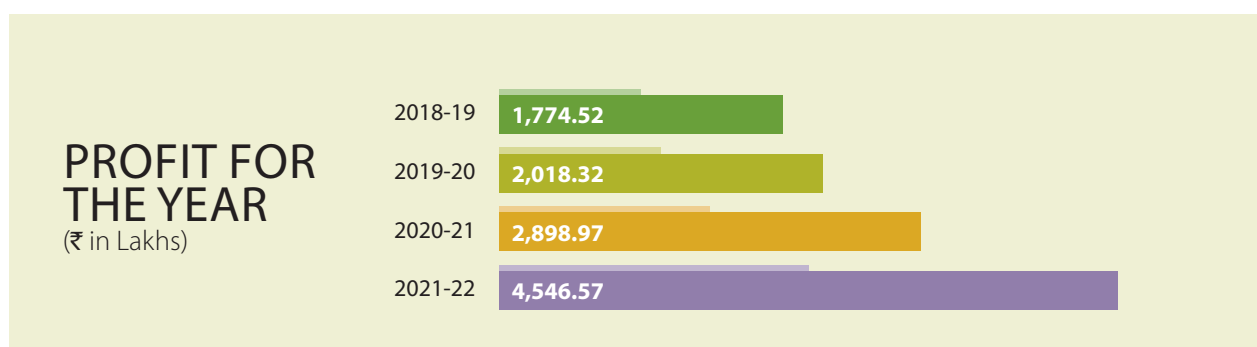
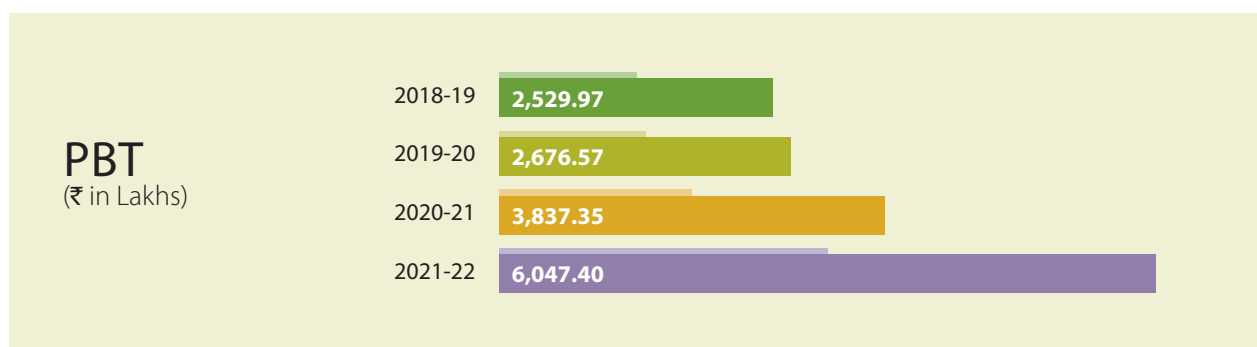
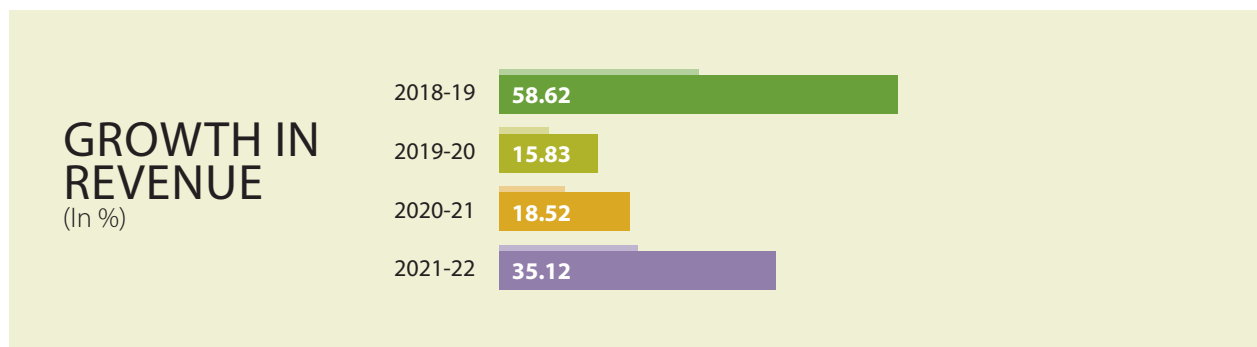
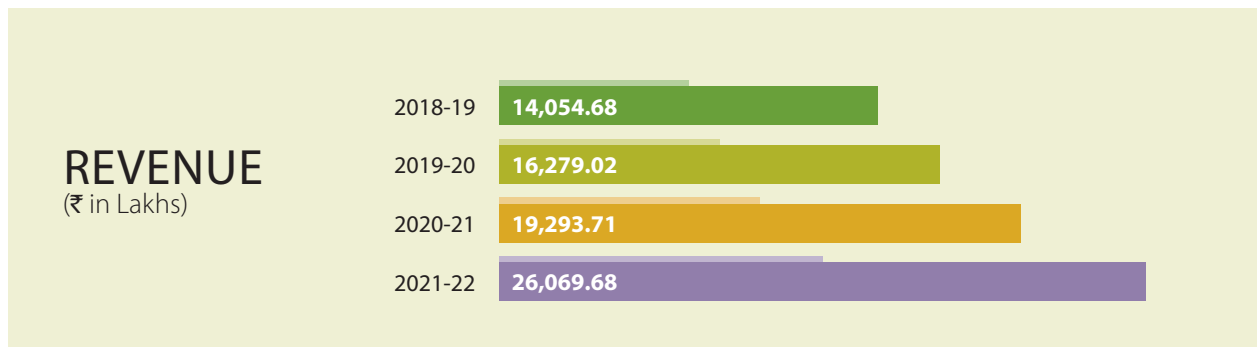
- Entered into North East Region for Execution Oil & Gas projects for our new client IGGL – 12" x 121 Kms approx.
- Received Major order from AGP Tamilnadu and Kerala Region for Laying of CGD pipeline of Dia. 12", 8", 6" & 4" – 350 Kms approx.
- Successfully completion of two major projects of IOCL 18" – 118.235 Kms – PSHPL, 18" – 100.89 Kms approx. – PHDPL.
- The revenue from operations stood at ₹25,721.17 Lakhs in the current year compared to ₹19,062.17 Lakhs in the previous year, registering a growth of 34.93% YoY. Our operating EBITDA margins increased by 55.92% in FY 2021-22 recording ₹6,469.37 Lakhs against ₹4,149.99 Lakhs in FY 2020-21 (on standalone basis).

Order Book

The Company's outstanding order book position is ₹1,10,822.30 Lakhs as on March 31, 2022, which includes ₹57,514.77 Lakhs from Cross Country pipelines and associated facilities, ₹50,486.73 Lakhs from City Gas Distribution including CNG Stations thereby contributing of 97.45% to the total order book of the Company.

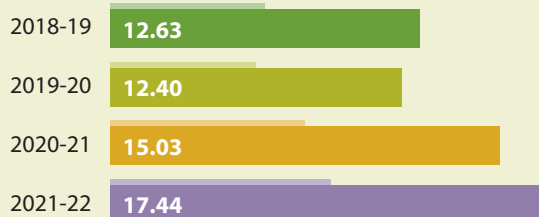
Operations-Wise Revenue Contribution		
Fiscal Year	Pipeline Infrastructure Projects	O&M Services
FY 2021-22	89.60%	10.40%
FY2020-21	83.80%	16.20%
FY2019-20	78.75%	21.25%
FY2018-19	85.60%	14.40%
FY2017-18	92.62%	7.38%

FINANCIAL HIGHLIGHTS (STANDALONE)



FINANCIAL HIGHLIGHTS (STANDALONE)

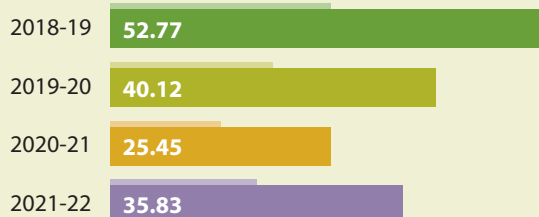
PAT MARGIN (In %)



EBITDA (₹ in Lakhs)



ROCE (In %)



EARNINGS PER EQUITY SHARE (₹)





OUR EMPLOYEES

The Company's employees are customer-centric as well as future-ready and are able to compete in a fast-changing world characterized by increased competition. We have created an environment where our people get significant responsibilities and are empowered to take decisions.

1100+
employees

30+
Programs



We consider our employees as our biggest asset and have put concerted efforts into talent management practices and training initiatives to ensure that we consistently develop inspiring and strong leadership at all levels. We ensure that young talent is nurtured and mentored on a regular basis, that rewards and recognition are commensurate with their performance and that employees have an opportunity to develop and grow.

Training and development of employees is a must for any organization to be successful. A systematic learning and development plan is in place at the Company to identify training needs, provide training and evaluate the learnings. The training provided to employees has resulted in boosting productivity, increasing employee satisfaction, fostering an organizational learning culture, and creating a safe working environment.

CHAIRMAN'S MESSAGE

Dear Shareholders,

The steady rebound in the Indian economy, a recession in the severity of COVID-19, and the positive optimism in many businesses, especially the infrastructure sector, have all augured well in the second half of FY 2021-22. I am confident that you and your families are handling the challenges well and staying healthy and safe.

Despite the enormous challenges posed by the pandemic, the Government's large-scale vaccination drive covering most of India's vulnerable and needy population has boosted the confidence of people, businesses and systems to adjust to the new emerging norms.

A look at Likhitha Infrastructure's performance in FY 2021-22 gives me immense confidence and reinforces the strengths that you all bring to it. Our Initial Public Offer (IPO) received a very encouraging response, despite the tough conditions.

As planned, we intend to utilize these funds for our Working Capital requirements and general corporate purposes in the areas we operate in the near future. With over three decades of technical experience, your company will expand its presence throughout India and across the globe.

As you are aware, we develop pipeline networks across the country, along with construction of associated facilities. We intend to scale up the portion of O&M in our portfolio along with construction of cross-country oil and gas projects, City Gas Distribution (CGD) system development, and CGD network.

The O&G sector showed a mixed trend in India in FY 2021-22. While crude oil production at 29.69 million tons fell 2.63% from 30.5 million tons a year earlier, natural gas output rose 18.64% to 34 billion cubic meters, driven by newer Oil & Gas field discoveries and a push by private players.

Over the past two decades, your company has devised strategies to factor in these shifts and changes; it has also gained customers' confidence by executing most of its projects ahead of schedule, even as it upgraded its competencies in the O&G pipeline sector. With meticulous planning and strategy we have also moved into new geographies with a felt demand for infrastructure



services. These well-thought-out moves have not only helped expand our operations, but also consolidated our position in this highly competitive area, while ensuring attractive margins.

The first quarter of FY 2021-22, especially April and May, saw COVID's resurgence across India and impact all activities. The subsequent quarters, however, saw economic activity bounce back with greater vigor. The robust strategy we have built over the years helped us take advantage of this acceleration and register a good growth rate during the year.

On Standalone basis, the revenue from operations stood at ₹257.13 Cr compared to ₹190.62 Cr in the previous registering a growth of 34.89% and operating margins improved to 56.25% for the current financial year and on Consolidated basis, the revenue from operations stood at ₹257.21 Cr for the current financial year.

Banking on its good track record of successfully completing its projects ahead of time, your company looks to bag bigger and more complex projects in its core O&G business sector, from large companies and diverse clients in the near future.



With meticulous planning and strategy we have also moved into new geographies with a felt demand for infrastructure services. These well-thought-out moves have not only helped expand our operations, but also consolidated our position in this highly competitive area, while ensuring attractive margins.

SUSTAINING GROWTH

Your company is especially bullish on the projected higher growth. According to the International Energy Agency, consumption of natural gas in India is set to grow by 25 billion cubic meters, at an average annual rate of 9% until 2024, propelled by the momentum given by rising infrastructure and supportive environmental policies.

To remain ahead of the competition, your company has maintained its disciplined line to execute projects, focus on cost efficiencies and newer markets, and invest in developing customized solutions for its clients.

Introduction of advanced technology is a continuous process in your company, which has always been quick to adopt good industry practices on the modernization front. It also maintains an adequate inventory of the diverse fleet of equipment required, which gives it the edge to accelerate implementation, cut overheads and improve productivity.

Your company puts a high premium on ensuring the safety and health of its employees in all categories while adopting to environmental friendly construction practises.

Our activities are drawn up in strict compliance with statutory health and safety regulations. We have in place a comprehensive Environment, Health and Safety Policy aimed at zero accidents, effective hazard management and concerted efforts to reduce our carbon / environmental footprint.

Your company also actively upgrades its employees' knowledge and skills, in order to develop them into an experienced, motivated and well-trained workforce that is crucial for effective implementation of our business. In addition to training them to augment their productivity, we also seek to improve their career paths and enhance their personal wellbeing through various employee engagement initiatives.

I take this opportunity to extend my heartfelt appreciation to all our shareholders, customers, employees, Board Members and all other stakeholders for their trust and continuing support and loyalty towards Likhitha Infrastructure.

**Sivasankara
Parameswara Kurup Pillai**
Chairman

MANAGING DIRECTOR'S MESSAGE



Dear Shareholders,

The financial year 2021-22 was a mixed bag of optimism and new challenges. The optimism arising out of the receding impact of the Pandemic globally and pronounced on the Indian economy.

The Indian economy started to rebound well. The Union government's push on infrastructure and private enterprises coming back with renewed vigor augured well during the year.

In tune with these changing scenarios, the company too aligned its strategy. The encouraging response to the IPO was a good development.

Post the listing on the BSE and NSE, the company is now more confident and equipped to bid for larger projects. It expanded our scope for bidding on high value-yielding projects and strengthening of financial indicators, therefore ensuring improvement in our overall operational capabilities.

The company's business gained momentum during the second half of the year. The Union government allocated ₹5.54 lakh Cr (a 35% increase in capital expenditure over the previous fiscal) and increased focus on project implementation under Gati Shakti and National Infrastructure Pipeline, giving a further boost.

The company's diversified strengths and reputation for timely completion of projects has

given us more and bigger contracts & projects in the cross country Oil & Gas pipelines to city gas distribution and offering efficient O&M services to the clients.

We have been getting repeat and larger orders are a testimony to the mutually beneficial relationships that we have forged with the customers over the years and I am happy to share that the Company has bagged a Prestigious and World's longest pipeline i.e., Cross Country LPG pipeline 20" / 18" / 12.75" / 10.75" – 902 kms for IHB Limited (a consortium of IOCL, HPCL and BPCL) comprising of IOCL Sanand Kandla-Gorakhpur Project: 127 kms – long 18" LPG pipeline (Sanand-Dumad section) along with station works – Group 06 and Kandla-Gorakhpur Project: 93 kms – long 12" and 30 kms – long 10" LPG pipelines (Rodapur T-Point-Varanasi section) along with station works – Group 16.

In view of the challenges posed by the pandemic and the changing demands in the domestic and global business and markets, the company has reinforced its employees by improving efficiencies like cost cutting, upgrading training, managing skills, and laying emphasis on consolidation wherever needed. This was intended to keep the organisation fit and responsive to any challenges.

Your Company has clocked a turnover of ₹257.13 Crores for FY 2021-22 compared to ₹190.62 Crores for the previous year on a standalone basis. The Company's performance increased witnessing

a PAT growth of 56.90% YoY to ₹45.47 Crores vs ₹28.98 Crores for the previous year.

The Company has clocked a turnover of ₹257.21 Crores for FY 2021-22 compared to ₹190.62 Crores for the previous year on a consolidated basis. The Company's performance increased witnessing a PAT growth of 59.14% YoY to ₹46.12 Crores vs ₹28.98 Crores for the previous year.

The Company's outstanding order book position is 1,10,822.30 Lakhs as of March 31, 2022, which includes ₹57,514.77 Lakhs from Cross Country pipelines and associated facilities, ₹50,486.73 Lakhs from City Gas Distribution including CNG Stations ₹2,820.74 Lakhs from Operation & Maintenance of CNG / PNG services.

The Union government's commitments to the global environmental concerns as well as the initiatives to grow the oil and gas sectors has recharged our growth. It has also made us restructure our long-term plans and strategies in line with the opportunities and challenges.

During the Pandemic the single biggest challenge and priority for the company has been to take care of its employees-both their health and work safety so that they are confident and productive.

All the protocols associated with the management and prevention of COVID-19 at workplaces was ensured to create a healthy workplace for the in-house and field staff. Our talented and committed employees have delivered well under uncertain times.

In difficult times as such, the company prioritizes the employees' health and well-being above everything else. We have undertaken a variety of COVID mitigation initiatives, including the distribution of COVID antigen test kits, establishment of quarantine facilities, hospital admission assistance, and financial assistance to employees who have tested positive, among others.

Coming to the near term growth, the company is Strong on the prospects from the Oil & Gas sector.

While the Oil sector faced challenges with decline production, the gas production rose significantly with big private players reporting new discoveries and also reported higher production. With economic activity picking up pace, we intend to grow each of our business verticals into more geographical areas in India and outside. To this effect we have steadily increased our operations and geared up to bid for high volume and larger projects.

I would take this opportunity to place on record the valuable guidance and backing that the Board of Directors have been extending during these uncertain and testing times.

Srinivasa Rao Gaddipati
Managing Director



I am thankful to to the support of every stakeholder in the entire ecosystem, whose consistent and committed encouragement have helped us reach the position we are today. We are confident that that this trust and confidence will continue in the future too.

CORPORATE INFORMATION

Board of Directors

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

Mr. Srinivasa Rao Gaddipati
Promoter and Managing Director

Mrs. Likhitha Gaddipati
Promoter and Whole-Time Director

Mrs. Sri Lakshmi Gaddipati
Non-Executive Director

Mr. Kutumba Rao Gaddipati
Non-Executive Director

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

Mr. Venkatram Arigapudi
Non-Executive Independent Director

Ms. Jayashree Voruganty
Non-Executive Independent Director

Key Managerial Personnel

Mr. Sudhanshu Sekhar
Chief Executive Officer

Mrs. Likhitha Gaddipati
Chief Financial Officer

Mrs. Triveni Banda
Company Secretary and Compliance Officer

Registered Office:

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

Statutory Auditors

NSVR & Associates LLP,
Chartered Accountants, Hyderabad.

Internal Auditors

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

Secretarial Auditors

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

Registrars & Share Transfer Agents

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

Contact Information

Contact Number: 040 2375 2657
e-mail: cs@likhitha.in
Website Link: <http://likhitha.co.in/>

COMMITTEES OF THE BOARD

Audit Committee

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

Stakeholders' Relationship Committee

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

Initial Public Offering Committee (IPO Committee)

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

Nomination & Remuneration Committee

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

Corporate Social Responsibility Committee

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

Risk Management Committee

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

Management Discussion & Analysis

INDIAN ECONOMY

India's GDP for FY 22 rose 8.7% Vs. a contraction of 6.6% YoY, this was the highest growth rate in the previous five years. Most growth was largely on account of a lower base. The agriculture output growth slowed down YoY, and manufacturing saw an uptick.

India's overall exports in FY 22 (April 2021 - March 2022) were estimated at US\$ 669.65 billion (a 34.5% YoY increase). Overall imports in FY 22 were estimated at US\$ 756.68 billion (a 47.8% YoY increase).

According to the Department for Promotion of Industry and Internal Trade (DPIIT), foreign direct investment (FDI) equity inflows to India reached US\$ 72.12 billion in 2020-21 (until January 2021) while the cumulative FDI equity inflows to the country from April 2000 to January 2021 reached US\$ 545.0 billion.

A positive business environment, robust industrial output, and rapid vaccination coverage have provided strong momentum for the growth of India's economy, with a GDP growth of 8.7 percent in FY 2022.

Various parameters such as total GST collections, UPI transactions, FASTAG revenues, demand for electricity, passenger and freight traffic via rail and air, and metal and coal production displayed a positive trajectory, pointing towards a continued economic recovery, despite the new year commencing with concerns around the third wave of COVID-19 and the possible roadblocks that could arise from it. Resilience in the agriculture sector and reducing unemployment levels also add to the positive outlook of the economy. The improving economic situation, employment availability, and household income brought confidence to the consumer confidence index whereas an overall improvement in the business environment supported a rise in the business confidence index.

OUTLOOK

The World Bank estimates India's economic growth forecast for the current fiscal at 7.5 percent with headwinds from rising inflation, supply chain disruptions, and geopolitical tensions offsetting buoyancy in the recovery of services consumption from the pandemic.

This is the second time that the World Bank has revised its GDP growth forecast for India in the current fiscal 2022-23 (April 2022 to March 2023). In April, it had trimmed the forecast from 8.7 percent to 8 percent and now it is projected at 7.5 percent. The GDP growth compares to an 8.7 percent expansion in the previous 2021-22 fiscal.

According to the World Bank report, growth in India slowed in the first half of 2022 as activity was disrupted both by a surge in COVID-19 cases, accompanied by more-targeted mobility restrictions, and by the war in Ukraine. The recovery is facing headwinds from rising inflation.

Prior to the World Bank's action, global rating agencies too had slashed India's economic growth forecast. Last month, Moody's Investors Service trimmed the GDP projection to 8.8 percent for the calendar year 2022 from 9.1 percent earlier, citing high inflation.

S&P Global Ratings too had cut India's growth projection for 2022-23 to 7.3 percent, from 7.8 percent earlier, on rising inflation and longer-than-expected Russia-Ukraine conflict.

In March, Fitch had cut India's growth forecast to 8.5 percent, from 10.3 percent, while IMF has lowered the projection to 8.2 percent from 9 percent.

Asian Development Bank (ADB) has pegged India's growth at 7.5 percent, while RBI in April cut the forecast to 7.2 percent from 7.8 percent amid volatile crude oil prices and supply chain disruptions due to the ongoing Russia-Ukraine war.

India is on the path to a sustained economic recovery, thanks to the vigorous countrywide drive to deliver safe and wide-reaching COVID-19 vaccinations, which helped reduce the severity of the third pandemic wave with minimal disruptions to mobility and economic activity. The Government of India's policy to improve logistics infrastructure, incentives to facilitate industrial production, and measures to improve farmers' income will support the country's accelerated recovery.

Large public infrastructure investments planned over the next 2 years will encourage more private investment. Together with the PM Gati Shakti initiative to improve India's logistics infrastructure, increased financial and technical support to states to expand capital investment will boost infrastructure spending and help spur economic growth. Private consumption will pick up as labor market conditions improve. The government's production-linked incentive scheme will provide a thrust to the manufacturing sector in FY 2022 and FY 2023.

Notwithstanding the turbulence associated with monetary tightening in advanced economies, the ongoing geopolitical conflict, lockdowns in parts of china, and supply side disruptions, India is relatively better placed than most of the other nations to weather the storm and achieve steady growth in FY 2023.

INDUSTRY OVERVIEW

The oil and gas pipeline market can be segmented in terms of type, application, and sector...

- Based on type, the global market can be segmented into crude oil pipelines and natural gas pipelines. The crude oil pipeline segment is expected to lead the global market between 2021 and 2031.
- Based on application, the global market can be segmented into onshore and offshore. The onshore segment is expected to expand at a significant pace during the forecast period.
- Based on sector, the global market can be classified into upstream, midstream, and downstream. The upstream segment is expected to hold the major share of the market during the forecast period.

Demand for oil and gas is rising across the globe. Oil and gas pipelines are required for industrial areas. Pipeline transportation of oil and gas is considered more inexpensive than ground transportation. It has a large capacity. Pipelines can safely transport vast amounts of oil and gas.

The COVID-19 pandemic has impacted the development of the global oil & gas pipeline market. The industrial shutdown caused by the COVID-19 pandemic has created disruption in the supply chain. Disruption in the supply of raw materials is projected to hamper the operations of companies operating in the market.

The oil and gas sector is among the eight core industries in India and plays a major role in influencing decision-making for all the other important sections of the economy. India's economic growth is closely related to its energy demand; therefore, the need for oil and gas is projected to grow more, thereby making the sector quite conducive for investment.

Natural gas has been gaining traction as a key alternative and an ideal fuel to support the energy shift in favor of cleaner and greener energy sources.

GOVERNMENT INITIATIVES FOR GAS PIPELINE INFRASTRUCTURE

As a part of the commitments to address climate change in COP21, the Government of India has promised to reduce its carbon emissions by 45 percent by 2030. However, the paradox of balancing the need to meet the energy demands of a billion people while at the same time mitigating environmental pollution is no mean task. It is in this context that the government is making a push for India to transition into a gas-based economy.

The Government of India has accorded priority to shift towards the gas based economy. With Indian economy expected to grow five-fold by 2040 and the focus is to increase the share of natural gas in India's energy basket by more than double. With this objective the government is extensively focussing on building of robust city gas distribution.

PNGRB has increased the number of Geographical Areas (GAs) to 293, comprising 617 districts in India, covering 96% of Indian population and 86% of its area. The expected investment because of the concluded CGD bidding rounds is nearly ₹1.2 lakhs crore.

A gas-based economy has been identified as crucial for Atmanirbhar Bharat. Infrastructure developments along with market reforms have offered great potential for natural gas uptake across sectors in India.

KEY DRIVERS OF OIL AND GAS PIPELINE MARKET

Technological advancement is driving the growth of the market. Innovative techniques for protective transportation have allowed manufacturers to embrace enhanced technologies such as the Internet of Things (IoT).

Accessibility of raw materials at a low cost as compared to other resources is also boosting the market. The rising demand for natural gas in power generation and transportation industries is expected to drive the oil and gas pipeline market in the near future.

Oil demand in India is projected to register a 2x growth to reach 11 million barrels per day by 2045. Diesel demand in India is expected to double to 163 MT by 2029-30, with diesel and gasoline covering 58% of India's oil demand by 2045. Consumption of natural gas in India is expected to grow by 25 billion cubic meters (bcm), registering an average annual growth of 9% until 2024.

The Minister of State for Petroleum and Natural Gas (MoPNG), Rameswar Teli, announced that the government had set a target to raise the share of natural gas in the energy mix to 15% by 2030. Currently, in India, the share of natural gas in the primary energy mix has increased from 6.3% to 6.7%.

OPPORTUNITIES AHEAD – ADVANTAGE INDIA

Growing Demand

Oil demand in India is projected to register a 2x growth to reach 11 million barrels per day by 2045. Diesel demand in India is expected to double to 163 MT by 2029-30, with diesel and gasoline covering 58% of India's oil demand by 2045.

Consumption of natural gas in India is expected to grow by 25 billion cubic meters (bcm), registering an average annual growth of 9% until 2024.

Rapid Expansion

India aims to commercialize 50% of its SPR (Strategic Petroleum Reserves) to raise funds and build additional storage tanks to offset high oil prices.

In October 2021, the Union Ministry of Petroleum & Natural Gas approved a revised project cost of ₹28,026 crores (US\$ 3.8 billion) to increase refining capacity – for the ongoing Numaligarh Refinery Expansion Project – from 3 mmtpa to 9 mmtpa.

India leads Asia in terms of oil and gas trunk/transmission pipeline length additions from 2022 to 2026. With about 60% share, natural gas pipelines account for the majority of the pipeline additions by 2026 due to growing industrial and domestic consumption and efforts to become carbon neutral by 2070.

India has about a quarter share of Asia's active pipeline length from about 165 pipelines. The country would witness pipeline length additions of 28,946 km from 54 planned and announced projects from 2022 to 2026 primarily for natural gas transportation.

Government Policy Support

India is focusing on a gas-based economy and a lot of work is being done on 'One Nation, One Gas Grid', as a gas-based economy is crucial for an Atmanirbhar Bharat.

The Centre has taken policy several initiatives to increase the share of natural gas in India's energy basket from 6 per cent to 15 per cent in the years to come.

The Government will invest crores of rupees in the oil and gas sector in this decade itself.

The Central government has an integrated approach to energy planning, and it has always been all-inclusive. The country is now witnessing work on 16,000 km new pipelines all over the country.

In the Union Budget 2022-23, the customs duty on certain critical chemicals for petroleum refining was reduced. In November 2021, the government set up a committee to work out measures needed to make natural gas available to power plants at reasonably stable prices.

CHALLENGES AHEAD

Indian oil and gas industry is faced with the twin challenge of responding to the changing environment, while managing its enterprise-level shake-up and internal resources, including human resources. Demand for oil and gas is relatively price-inelastic and much more responsive to shifts in trends regarding income, and by extension, fiscal stimulus, tax incentives, and other economic drivers all these will play out in 2022-23.

The natural gas market will be watched as it leverages the new pricing methods, and reforms measures undertaken with regard to The Indian oil and gas industry will remain engaged to move towards increased volume. The Technology of non-fossil fuels like bio-fuels, batteries, and hydrogen, requiring investment and technological innovation is gaining ground. This market is being nurtured and, therefore, is immune to the free play of market forces.

COMPANY OVERVIEW

The Company is an oil & gas pipeline infrastructure service provider, majorly focused on laying pipeline networks along with the construction of associated facilities and providing operations & maintenance services to the oil and gas companies in India. We have our presence in more than 17 states and 2 union territories of India. We have successfully completed projects which over 1000 km of oil & gas pipelines, including steel and medium-density polyethylene (MDPE) networks in the past five years. Additionally, the company has laid approximately 600 km of oil & gas pipelines for the ongoing projects. We believe that we are one of the few Pipeline Infrastructure Companies with an excellent track record of timely execution of projects in all business areas with quality & client satisfaction.

We have executed the first trans-national cross-country pipeline of South-East Asia connecting India to Nepal in the year 2019, for the supply of petroleum products. The company has a strong client base consisting of leading gas distribution companies in India, including both the private & public players, and a strong order book.

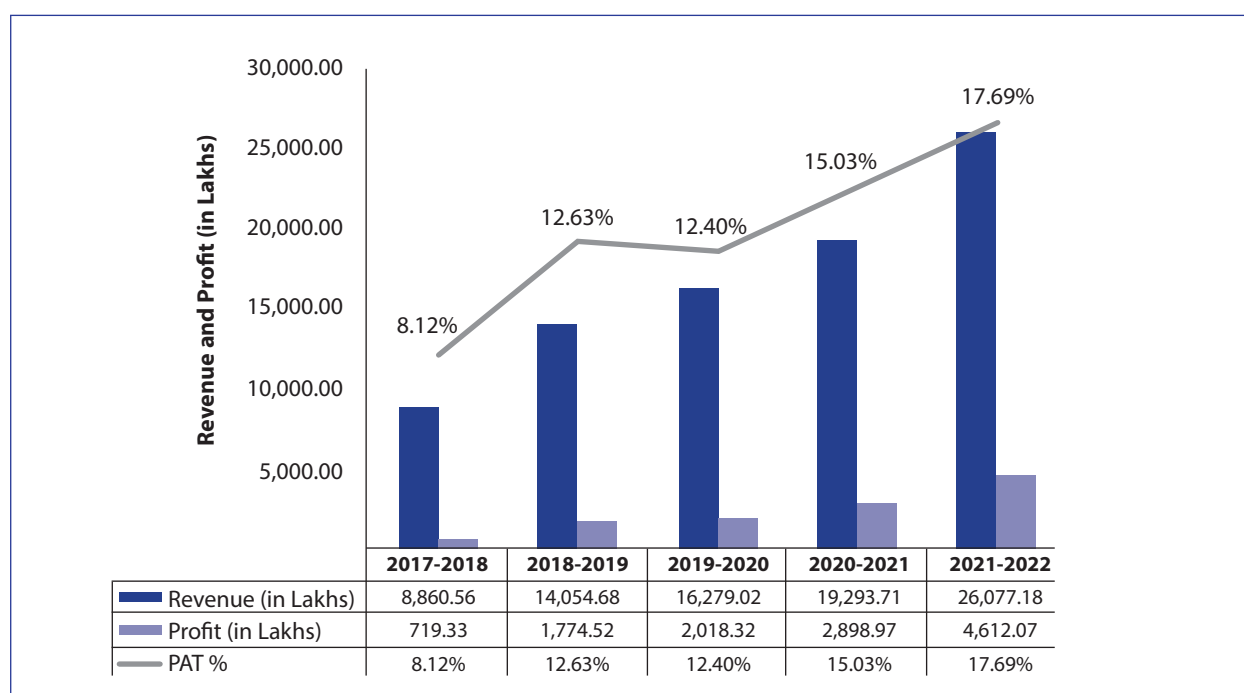
Our Company was certified with ISO 9001:2015 by International Certification Services Pvt Ltd for specialization in the field of Design, Construction of Cross-country pipelines, City Gas Pipelines, and Civil Constructions.

We believe that we are one of the few Pipeline Infrastructure Companies with an excellent track record of timely execution of projects in all business areas with quality & client satisfaction.

Our Company is managed by a team of experienced personnel. Our team is experienced in technical, operational, and business development. We believe that our management team's experience and their understanding of the industry enable us to continue to take advantage of both current and future market opportunities.

The company is led by Mr. Srinivasa Rao Gaddipati, a first-generation entrepreneur with around three decades of technical experience, and co-promoted by his daughter, Mrs. Likhitha Gaddipati.

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



SWOT ANALYSIS

Strengths

- High Revenue and Profit Growth with High Return on Capital Deployed (ROCE) and Low PE ratio
- Growth in Net Profit with increasing Profit Margin (QoQ)
- Company with No Debt
- Annual Net Profits improving for last 2 years
- Book Value per share Improving for last 2 years
- Company with Zero Promoter Pledge

Weaknesses

- Availability of skilled technical manpower for projects
- Inflation

Opportunities

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

Threats

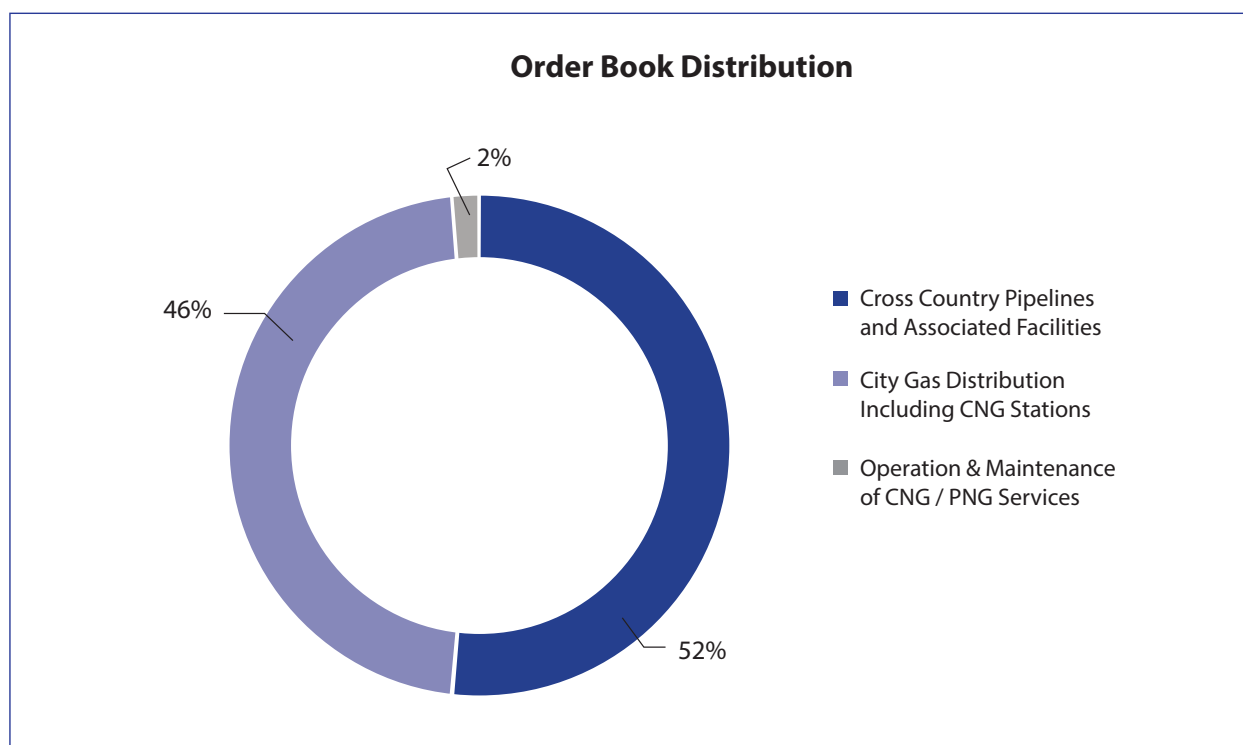
- Increase in competitive bids for procuring the projects
- Any future COVID lock-down extensions would affect

OPERATIONAL HIGHLIGHTS

Order Book

The Company's outstanding order book position is 1,10,822.30 Lakhs as of March 31, 2022, which includes ₹57,514.77 Lakhs from Cross Country pipelines and associated facilities, ₹50,486.73 Lakhs from City Gas Distribution including CNG Stations, and ₹2,820.79 Lakhs from Operation & Maintenance of CNG / PNG services as against order book position of ₹87,407.73 Lakhs as on March 31, 2021, thereby increase in growth of order book by 26.79%.

Order Book Distribution Chart to be provided percentages



FINANCIAL HIGHLIGHTS

Standalone

- For FY 2021-22, Revenue from Operations increased by 34.89% YoY to ₹257.13 Crores vs ₹190.62 Crores.
- For FY 2021-22, operating EBITDA also increased by 55.92% YoY to ₹64.69 Crores vs ₹41.49 Crores.
- For FY 2021-22, PAT increased by 56.90% YoY to ₹45.47 Crores vs ₹28.98 Crores.

Consolidated

- For FY 2021-22, Revenue from Operations increased by 34.93% YoY to ₹257.21 Crores vs ₹190.62 Crores
- For FY 2021-22, operating EBITDA also increased by 58.33% YoY to ₹65.71 Crores vs ₹41.49 Crores
- For FY 2021-22, PAT increased by 59.14% YoY to ₹46.12 Crores vs ₹28.98 Crores.

Financial Highlights (Standalone)

Particulars	FY 2021-22	FY 2020-21	YoY Change (in %)
Revenue from Operations	25,713.67	19,062.17	34.89
EBITDA	6,469.37	4,149.99	55.92
PBT	6,047.40	3,837.35	57.59
PAT	4,546.57	2,898.97	57.24
Net Worth	19,208.92	15,340.36	25.22

Revenues

The total income from the operations increased by 34.89% in FY 2021-22 recording ₹257.13 cr against ₹190.62 cr in FY 2020-21.

Profits

EBITDA increased by 55.92% in FY 2021-22 recording ₹64.69 cr against ₹41.49 cr in FY 2020-21.

Net profit after tax increased by 57.24% in FY 2021-22 recording ₹45.47 cr against ₹28.98 cr in FY 2020-21.

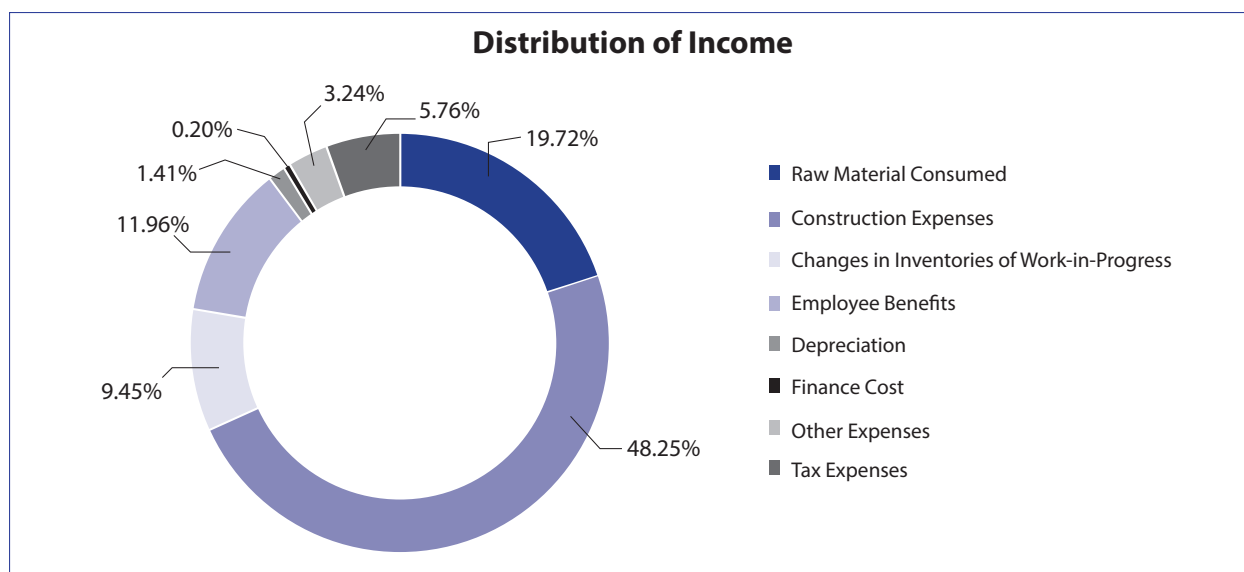
Net Worth

Net Worth increased by 25.22% in FY 2021-22 recording ₹192.09 cr against ₹153.40 cr in FY 2020-21.

Significant growth in the net worth of the Company is due to an increase in retaining earnings.

Earnings per share

Earnings per share are up from ₹17.05 as of March 31, 2021 to ₹23.05 as of March 31, 2022.



Key Ratios

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

Ratios	FY 2021-22	FY 2020-21
Debtors Turnover (no. of days)	96.21	74.37
Inventory Turnover (no. of days)	102.62	71.48
Interest Coverage Ratio(in times)	113.42	58.22
Current Ratio (in times)	8.10	10.14
Debt Equity Ratio (in times)	0.00	0.1
Operating Profit Margin (in %)	23.20	20.24
EBITDA Margin (in %)	24.82	21.51
PAT Margin (in %)	17.44	15.03
Return on Net Worth (in %)	23.67	18.90

Return on Net Worth

Return on Net Worth is a measure of the profitability of a Company expressed as a percentage of net worth. It is calculated by dividing profit after tax for the year by the average capital employed during the year.

Debtors Turnover

The above ratio is used to quantify a Company's effectiveness in collecting its receivables or money owed by customers. The ratio shows how well a Company uses and manages the credit it extends to customers and how quickly that short-term debt is collected or paid. It is calculated by dividing total revenue by average trade receivables.

Inventory Turnover

Inventory Turnover is the number of times a Company sells and replaces its inventory during a period. It is calculated by dividing total revenue by average inventory.

Current Ratio

The Current Ratio is a liquidity ratio that measures a Company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities.

MANAGEMENT OUTLOOK

The Company is one of the leading companies in its industry space with over 24 years of experience, presently working with major Oil & Gas companies across India. Oil & Gas the Company is planning to expand the capacity to execute work of laying Oil & Gas pipelines above 400 kilometers per year. In view of the PNGRB (Petroleum and Natural Gas Regulatory Board) expansion plan, the Company is gearing up to increase its presence across the country by the end of 2022. The Company is planning to increase O&M services with the expertise gained over the years as this would be the key aspect in the future as the Government is currently focusing to create CGD facilities in over 70% of the cities in coming years.

FUTURE OUTLOOK

- LIL is intending to expand into new verticals for Tankage Projects & expecting a order from IOCL.
- LIL is exploring opportunities in Middle East, Africa & other like countries, where there is huge demand of Pipeline Infrastructure companies.
- LIL is in talks with various Offshore T&I companies to foray in Offshore business.

RISK MANAGEMENT

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

Risks	Description	Mitigation
Regulatory regime	The Complex nature of infrastructure projects includes interference with various regulators/authorities throughout the project life cycle, making them especially vulnerable to regulatory action. Failure to comply with these requirements may result in liability.	The regulatory compliance such as site permissions, clearances from the Governments, local bodies, and other such associated compliance responsibilities will be on the client. The Company also has a regulatory compliance review mechanism in place through which the Company reviews the applicability of laws and regulations and complies on a real-time basis.
Client concentration risk	The Company is deriving significant portion of orders from major Oil & Gas distribution companies. Any adverse development will affect the operations.	The Company is constantly expanding the client base by enhancing required qualifications along with maintaining excellent client relationship.
Liquidity Risk	Liquidity risk is that the Company might be unable to meet its financial obligations.	The Company has strong financial background through which it meets its financial requirements on timely basis. Management regularly reviews the financial obligations and ensures to meet them in time.
Competition risk	The Company might face competitive risks from other players in the market depending on the size, nature, and complexity of the project.	Technical and financial qualification of the Company would be one of the major criteria in determining the eligibility for the project. The Company is constantly enhancing technical and financial aspects along with performance, quality, timely completion of the projects and technical qualifications which provides edge over competitors.
Human Resource Risk	The Company depends on heavy manpower and shortage would adversely impact the operations of the Company.	The Company has adequate resources on permanent basis and would constantly scale resources based on the requirements of the projects from time to time.
Health and Safety	Execution of the projects would involve occupational risks and associated compliances.	The Company periodically conducts training/ awareness programmes educating employees on health and safety standards. Management periodically conducts review meetings to assess the safety standards and take measures as required.

INTERNAL CONTROLS AND ITS ADEQUACY

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

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

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

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

HUMAN RESOURCES

The Company always considers its human resource as the key to achieving its objectives. HR and Operations team discusses all strategies with senior management to attract talent and enhance various capabilities. Management empowers, inspires, and motivates all employees to achieve higher levels of performance. The unflinching commitment of our employees is the driving force behind fulfilling the Company's vision.

The company continued to stay focused on the health and wellbeing of its employees during this challenging year through multiple measures such as the distribution of rapid test kits when required, setting up of quarantine facilities, assistance, and financial aid to the employees who have tested positive. The company took various initiatives to keep the employees engaged with virtual meetings to maintain constant productivity.

CAUTIONARY STATEMENT

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

BOARD'S REPORT

To
The Members,
Likhitha Infrastructure Limited

The Board of Directors ("Board") of the Likhitha Infrastructure Limited ("the Company" or "LIL") are pleased to present the Company's 23rd Annual Report along with the Company's Audited financial statements (standalone and consolidated) for the financial year 2021-22.

FINANCIAL PERFORMANCE

The audited financial statements (standalone and consolidated) of your Company as on March 31, 2022, prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of the Companies Act, 2013, forms part of this Annual Report.

The summary of the audited financial results (standalone and consolidated) i.e., Statement of Profit and Loss for the year ended March 31, 2022, of the Company is as follows:

(Amount in Lakhs)

Particulars	Standalone		Consolidated	
	For the Year Ended			
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Revenue form Operations	25,713.67	19,062.17	25,721.17	19,062.17
Other Income	356.01	231.54	356.01	231.54
Total Revenue	26,069.68	19,293.71	26,077.18	19,293.71
EBITDA	6,469.37	4,149.99	6,570.06	4,149.99
Less: Finance costs	53.32	67.06	53.32	67.06
Less: Depreciation and Amortisation Expenses	368.65	245.58	368.65	245.58
Profit before prior period items	6,047.40	3,837.35	6,148.09	3,837.35
Prior period items	--	--	--	--
Profit before tax	6,047.40	3,837.35	6,148.09	3,837.35
Less: Current Tax	1,514.55	949.61	1,549.74	949.61
Add: Deferred Tax Asset	13.73	11.23	13.73	11.23
Profit Available for appropriations/Loss	4,546.57	2,898.97	4,612.07	2,898.97
Basic Earnings per Share (₹)	23.05	17.05	23.38	17.05
Diluted Earnings per Share (₹)	23.05	17.05	23.38	17.05
Paid up share capital (face value of ₹ 10 each)	1,972.50	1,972.50	1,972.50	1,972.50
Reserves and Surplus	17,236.42	13,367.86	17,301.92	13,367.86

RESULTS OF OPERATIONS AND STATE OF AFFAIRS OF THE COMPANY

The key aspects of your Company's performance during the financial year 2021-22 are as follows:

FINANCIAL HIGHLIGHTS

Standalone

- For FY 2021-22, Revenue from Operations increased by 34.89% YoY to ₹257.13 Crores vs ₹190.62 Crores.
- For FY 2021-22, operating EBITDA also increased by 55.92% YoY to ₹64.69 Crores vs ₹41.49 Crores.
- For FY 2021-22, PAT increased by 56.90% YoY to ₹45.47 Crores vs ₹28.98 Crores.

Consolidated

- For FY 2021-22, Revenue from Operations increased by 34.93% YoY to ₹257.21 Crores vs ₹190.62 Crores
- For FY 2021-22, operating EBITDA also increased by 58.37% YoY to ₹65.71 Crores vs ₹41.49 Crores
- For FY 2021-22, PAT increased by 59.14% YoY to ₹46.12 Crores vs ₹28.98 Crores.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The Company has one (1) Joint venture as on March 31, 2022. There are no subsidiaries or Associate Companies within the meaning of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries. Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's subsidiaries in Form **AOC-1**, is attached as **Annexure-I** to this report.

Consolidated financial statements have been prepared by the Company in accordance with the requirements of Ind AS 110 "Consolidated Financial Statements" as specified under the provisions of Section 133 of the Companies Act, 2013 ("the Act"). Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, including the consolidated financial statements, along with the relevant documents and the separate audited financial statements in respect of subsidiaries/Associates/Joint ventures, are available on the website of the Company www.likhitha.co.in.

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

CONSOLIDATED FINANCIAL STATEMENTS

Your Company has prepared its consolidated financial statements in accordance with the requirements of relevant accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and as per the provisions of Section 129(3) of the Companies Act, 2013 and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The Consolidated Financial Statements together with the Auditors' Report form part of this Annual Report.

In accordance with Section 136 of the Companies Act, 2013, the financial statements of the Company, including the consolidated financial statements, and all other documents required to be attached to this report are available for inspection by the members at the registered office of the Company during the business hours on all days, except Saturdays, Sundays and public holidays, up to the date of the Annual General Meeting ('AGM').

Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary of the Company. The above-mentioned documents have also been uploaded on the website of the Company www.likhitha.co.in.

DIVIDEND / APPROPRIATION TO RESERVES

Interim Dividend:

Your Board of Directors in its meeting held on November 10, 2021 declared an Interim dividend on equity shares at a rate of 15% (₹1.5/-) per Equity Share of ₹10/- each for the FY 2021-22.

Final Dividend:

Your Board of Directors in its meeting held on May 28, 2022 recommended a dividend on the equity shares at the rate of 10% (₹1/-) per Equity Share of ₹10/- each for the FY 2021-22, subject to shareholders' approval at the ensuing Annual General Meeting (AGM). The Dividend, if approved, will be paid to shareholders whose names appear in the Register of Members as on the book closure / record date.

The record date for the purpose of payment of final dividend for the financial year ended March 31, 2022 is fixed as September 19, 2022.

The said dividend, if approved by the shareholders, would involve a cash outflow of ₹197.25 Lakhs. As members are aware, with effect from April 01, 2020, the Government has abolished the dividend distribution tax and dividend income is now taxable at the hands of shareholders. Hence payment of dividend to members will be subject to tax deduction at source (TDS) as per statutory requirement.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution policy as stipulated under Regulation 43A of the Listing Regulations is available on the website of the Company under the web link: https://likhitha.co.in/img/content/policies/Dividend_Distribution_Policy.pdf.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares) up to and including the financial year 2013-14 should transfer by the Company in the name of Investor Education and Protection Fund established by the Central Government during the financial year 2021-22 from time to time.

However, the Company has declared dividend from the FY 2020-21, the aforementioned provisions are not applicable to your Company.

SHARE CAPITAL

During the year under review, there was no change in the paid-up share capital of the Company. The paid-up Equity Share Capital of the Company as on March 31, 2022, was ₹1972.50 Lakhs, comprising of 1,97,25,000 equity shares of face value of ₹10/- each. During the year under review, your Company has neither issued any shares with differential voting rights nor has granted any stock options or sweat equity

DEPOSITS

During the year under review, your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments made during the financial year ended March 31, 2022, covered under the provisions of Section 186 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, are given in the notes to the Financial Statements.

LISTING OF EQUITY SHARES

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

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

The Company has paid the Annual Listing Fees to the said Stock Exchanges for the Financial Year 2022-23.

MATERIAL CHANGES AND COMMITMENTS

No other material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company. Further, there is no change in the nature of business of the Company.

OUTLOOK AND FUTURE PLANS

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

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board of Directors constituted Corporate Social Responsibility (CSR) Committee in accordance with the provisions of section 135 of the Companies Act, 2013. The Company as part of its Corporate Social Responsibility (CSR) initiative and on the recommendation of CSR Committee and in compliance with the policy on Corporate Social Responsibility, invested the CSR Fund by contributing to activities specified in Schedule VII of the Companies Act, 2013.

The Company has a Policy on Corporate Social Responsibility, and it is posted on the website of the Company and the web link is https://www.likhitha.co.in/img/content/CSR/CSR_Policy.pdf.

The Annual Report on CSR activities as per the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as ‘**Annexure-III**’ to this report.

Further, pursuant to the provisions of Section 135 of the Companies Act, 2013, your Company was required to spend an amount of ₹60.29 Lakhs towards CSR Activities during the year 2021-2022.

Your management feels proud to mention that for the financial year ended March 31, 2022, your Company has spent a total amount of ₹61.00 Lakhs towards various CSR activities which was in excess of the mandatorily prescribed limit.

ANNUAL RETURN

In accordance with Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), a copy of the Annual Return of the Company is placed on the website of the Company at https://www.likhitha.co.in/img/content/annual-return/Form_MGT_7_March_31_2022.pdf.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the FY 2021-22 with related parties were in the ordinary course of business and on an arm’s length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The details of the related party transactions entered into during the year are given in form **AOC-2** as “**Annexure-IV**” to this report.

The Policy on related party transactions as approved by the Board may be accessed on the Company’s website: https://likhitha.co.in/img/content/policies/Related_Party_Policy.pdf.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report (BRR) as stipulated under Regulation 34(2)(f) of the Listing Regulations is not applicable to your Company for FY 2021-22.

MANAGEMENT AND DISCUSSION ANALYSIS

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

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

CORPORATE GOVERNANCE

Your company will continue to uphold the true spirit of Corporate Governance and implement the best governance practices. A report on Corporate Governance pursuant to the provisions of Corporate Governance Code stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure-VI**. Full details of the various board committees are also provided therein along with Secretarial Auditors' Certificate regarding compliance of conditions of corporate governance.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- i) In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The directors have prepared the annual accounts on a going concern basis;
- v) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively;
- vi) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and effective.

Further, there are no more qualifications, reservations or adverse remarks made by the statutory auditor/secretarial auditor in their respective reports.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors with one-woman Independent Director. As on March 31, 2022, your Board consists of Eight (08) Directors including four (04) Independent Directors, two (02) Non-Independent Non-Executive Directors and two (02) Executive Directors. None of the Directors on the Board are disqualified under the provisions of the Companies Act, 2013.

Independent and Non-Executive Directors

In the opinion of the Board all the Independent directors of the Company possess integrity, experience, expertise, and the requisite proficiency required under all applicable laws and the policies of the Company.

As prescribed under Listing Regulations and pursuant to Section 149(6) of the Act, the particulars of Non-Executive and Independent Directors (as on the date of signing this report) are as under:

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

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

Declaration of Independent Directors

All the Independent Directors have given declarations stating that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1) (b) of the Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have enrolled their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

Changes in Whole Time Directors & Other Key Managerial Personnel

During the year under review, Mrs. Likhitha Gaddipati, Whole Time Director is appointed as the Chief Financial Officer of the Company w.e.f. November 03, 2021.

The following are the changes that occurred in the composition of the Board and Key Managerial Personnel from April 01, 2021, till the date of this report.

S. No	Name of Director / Key Managerial Personnel	Details of the Change
1	Mr. Sambasiva Rao Ketineni	Resigned from the position of Chief Financial Officer of the Company with effect from November 03, 2021.
2	Mrs. Likhitha Gaddipati	Appointed as Chief Financial Officer of the Company with effect from November 03, 2021.
3	Mr. Santosh Kumar Gunemoni	Resigned from the position of Company Secretary and Compliance officer of the Company with effect from February 07, 2022.
4	Mrs. Triveni Banda	Appointed as Company Secretary and Compliance officer of the Company with effect from February 11, 2022.

Retirement by Rotation

Pursuant to the provisions of the Act, Mr. Kutumba Rao Gaddipati (DIN: 02333387), Non-Executive Director will retire by rotation at the ensuing Annual General Meeting. Being eligible, he offers himself for re-appointment.

Key Managerial Personnel

Mr. Srinivasa Rao Gaddipati, Managing Director, Mrs. Likhitha Gaddipati, Whole Time Director and Chief Financial Officer, Mr. Sudhanshu Shekhar, Chief Executive Officer and Mrs. Triveni Banda, Company Secretary and Compliance Officer are Key Managerial Personnel of the Company in accordance with the provisions of Section(s) 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014.

Directors and Officers Insurance ('D&O')

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

MEETINGS OF THE BOARD

During the year, 7 (Seven) Board Meetings were properly convened, constituted and conducted as per the Standards as forth in the **Secretarial Standard – I**. The maximum gap between two consecutive board meetings was within the period of 120 days as prescribed under the provisions of the Companies Act, 2013.

The below tabulated dates are the dates of the meetings of the Board of Directors:

03.06.2021	03.11.2021
11.06.2021	10.11.2021
11.08.2021	07.02.2022
29.03.2022	

COMMITTEES OF BOARD

Currently the Board has 6 committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, Risk Management Committee and Initial Public Offer Committee. The composition of the committees are in line with the applicable provisions of the Act, Rules and the Listing Regulations.

Audit Committee

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

Other Committees

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

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

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Nomination and Remuneration Committee has adopted a policy as per Section 178(3) of the Companies Act, 2013, for determination of remuneration and the manner of selection of the Board of Directors, Managing Director, Chief Executive Officer, Chief Financial Officer and Company Secretary and their remuneration.

Criteria for selection of Non-Executive Director

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience in the fields of Service Industry, Manufacturing, Marketing, Finance and Taxation, Law, Governance and General Management.

- In case of appointment of independent directors, the committee shall satisfy itself with regard to the criteria of independence of the directors vis-à-vis the company so as to enable the board to discharge its function and duties effectively.
- The committee shall ensure that the candidate identified for appointment as a director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The committee shall consider the following attributes, whilst recommending to the board the candidature for appointment as director:
 - Qualification, expertise and experience of the directors in their respective fields;
 - Personal, professional or business standing;
 - Diversity of the Board;
 - In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Directors and their engagement level;

REMUNERATION

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

CRITERIA FOR SELECTION / APPOINTMENT OF MANAGING DIRECTOR, EXECUTIVE DIRECTORS, CS, CEO AND CFO

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

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

Remuneration to Managing Director and Executive Director

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

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

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

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

The policy relating to remuneration of Directors, Key Managerial Personnel, Senior Management and other employees is available on the website of the Company http://likhitha.co.in/img/content/policies/Nomination_and_Remuneration_Policy.pdf

FAMILIARISATION / ORIENTATION PROGRAM FOR INDEPENDENT DIRECTORS

A formal familiarization programme was conducted about the amendments in the Companies Act, 2013, and Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws to the Company.

It is the general practice of the Company to notify the changes in all the applicable laws to the Board of Directors, from time to time the objective of the program is to familiarize Independent Directors on our Board with the business of the Company, industry in which the Company operates, business model, challenges etc. through various programs such as interaction with experts within the Company, meetings with our business leads and functional heads on a regular basis.

The details of such familiarization programmes for Independent Directors are posted on the website of the Company and web link is https://www.likhitha.co.in/img/content/code-of-conduct/Familiarisation_Programme_for_Independent_Directors_2021_22.pdf.

BOARD EVALUATION AND ASSESSMENT

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Sections 134, 178 and Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Independent Director being Evaluated.

Evaluation was done after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, performance of specific duties, independence, ethics and values, attendance and contribution at meetings etc.

The performance of the Independent Directors was evaluated individually by the Board after seeking inputs from all the directors on the effectiveness and contribution of the Independent Directors.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members based on the criteria such as the composition of Committees, effectiveness of Committee meetings, etc.

The Board reviewed the performance of the individual Directors on the basis of the contribution of the individual Director during Board and Committee meetings.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, and the performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The Independent Directors also assessed the quality, frequency and timeliness of flow of information between the Board and the management that is necessary for effective performance.

The Directors expressed their satisfaction with the evaluation process.

EMPLOYEES' STOCK OPTION SCHEME

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

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s. NSVR & Associates LLP was appointed as the Statutory Auditors of the Company with effect from September 30, 2019, till the conclusion of 25th Annual General Meeting of the Company. They have confirmed their eligibility for the financial year 2022-23 under Section 141 of the Companies Act, 2013, and the Rules framed thereunder.

Internal Auditors

M/s. Mukul Tyagi & Associates, Chartered Accountants, New Delhi was appointed as an Internal Auditor of the Company for the FY 2021-22. The Board has re-appointed the firm as an Internal Auditor for the FY 2022-23.

Secretarial Auditors

M/s. VCAN & Associates, Partnership Firm, Practising Company Secretaries, Hyderabad was appointed as a Secretarial Auditors of the Company for the FY 2021-22. The Board has re-appointed the firm as a Secretarial Auditors for the FY 2022-23.

M/s. VCAN & Associates, Practising Company Secretaries were conducted the Secretarial Audit for FY 2021-22 and the Secretarial Audit Report, in form MR-3, forms part of this Report as **Annexure-VII**.

QUALIFICATIONS IN AUDITORS REPORT

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

Statutory Auditors

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

Internal Audit Report

There are no qualifications or adverse observations in the Internal Audit Report issued by the Internal Auditors for the financial year ended March 31, 2022.

Secretarial Audit Report

- There are no qualifications or adverse observation in the Secretarial Audit Report issued by the Secretarial Auditors for the financial year ended March 31, 2022.
- The Secretarial Audit Report for the financial year ended March 31, 2022 issued by M/s. VCAN & Associates, Practising Company Secretaries, is enclosed as **ANNEXURE-VII** to this Report and it does not contain any reservation, qualification or adverse remarks except the following:
- The Postal Ballot was closed on Saturday, March 12, 2022, and the Company ought to submit the postal ballot report within 2 working days i.e., on or before March 15, 2022. However, the Company submitted the same on March 18, 2022.
- During the year under review, the Company has complied with the provisions of Section 204 of the Act and Regulation 24A of the Listing Regulations.

SECRETARIAL STANDARDS

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

MATERIAL ORDERS PASSED BY THE REGULATORS

No significant and material orders were passed by the Regulators or courts or tribunals impacting the going concern status and Company's operations in future, except as stated otherwise.

INSURANCE

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

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

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

The Board of Directors of the Company have adopted various policies like Related Party Transactions policy, Whistle Blower Policy, code of conduct for regulating, monitoring and reporting insider trading and such other procedures for ensuring the orderly and efficient conduct of its business, prevention and detection of frauds and errors, accuracy and completeness of the accounting and timely preparation of financial information.

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

VIGIL MECHANISM

In pursuance to the Provisions of the Section 177(9) & (10) of the Companies Act, 2013, and Regulation 22 of SEBI (LODR) Regulations, 2015, a vigil mechanism named "Likhitha Whistle Blower Policy" for Directors and employees to report genuine concerns has been established. The policy on whistle mechanism can be accessed at website of the Company: https://likhitha.co.in/img/content/policies/Whistle_Blower_Policy.pdf.

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

RISK MANAGEMENT

Pursuant to Regulation 21(4) of SEBI (LODR) Regulations, 2015, the Board of Directors has formulated and implemented a Risk Management Policy which identifies various elements of risks, which, in its opinion, may threaten the existence of the Company and contains measures to mitigate the same. The Risk Management Policy of the Company is posted on the Company's website: https://likhitha.co.in/img/content/policies/Risk_Assessment_and_Management_Policy.pdf.

A Risk Management Committee has been constituted as per the terms of Regulation 21 of SEBI (LODR) Regulations, 2015 to monitor and review the major risks faced by and the risk management plan of the Company periodically.

DIVIDEND DISTRIBUTION POLICY

The Dividend Distribution policy as stipulated under Regulation 43A of the Listing Regulations is applicable to your Company for FY 2021-22 and is placed on the website of the Company under the web link: https://likhitha.co.in/img/content/policies/Dividend_Distribution_Policy.pdf

INDUSTRIAL SAFETY AND ENVIRONMENT

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

GREEN INITIATIVE

The Ministry of Corporate Affairs (MCA) has taken a green initiative in Corporate Governance by allowing paperless compliance by the Companies and permitted the service of Annual Reports and other documents to the

shareholders through electronic mode subject to certain conditions and the Company continues to send Annual Reports and other communications in electronic mode to those members who have registered their email IDs with their respective depositories. Members may note that Annual Reports and other communications are also made available on the Company's website <https://www.likhitha.co.in> and websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited.

INDUSTRIAL RELATIONS

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

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE POLICY

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

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

The present composition of ICC is as under

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

The disclosure pertaining to Complaints are given under

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

HUMAN RESOURCES

The Company considers its Human Resource as the key to achieve its objectives. HR and Project Department creates all strategies along with Senior Management and Board of Directors to attract talent and build capabilities. The employees are sufficiently empowered and enabled to work in an environment that inspires them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind fulfilling the Company's vision. Your Company appreciates the contribution of its dedicated employees.

In this extraordinary year, the Company continued to stay focused on the health and wellbeing of its employees through multiple measures such as distribution of rapid test kits as when required, setting up of quarantine facilities, hospital admission assistance and financial aid to the employees who has tested positive etc. The Company took various initiatives to keep the employees productive and engaged, with virtual meetings with project managers and site engineers.

GENERAL

- I. Your directors state that no disclosure or reporting is required in respect of following items as there were no transactions on these items during the year under review:
 - a) Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
 - b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.

- c) No significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- d) No frauds were reported by the Auditors during the year under review.
- e) Maintenance of Cost Records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, is not required by the Company.

ACKNOWLEDGEMENTS

We thank our customers, vendors, investors, bankers, Government of India and State Governments wherever we have our operations for their assistance, patronage and co-operation. We place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation, and support.

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

Place: Hyderabad
Date : 10.08.2022

sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

ANNEXURE – I

AOC-I

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES AND ASSOCIATE COMPANIES AND JOINT VENTURE FOR THE YEAR ENDED MARCH 31, 2022.

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

Part B:

I. Associates and Joint Ventures

Name of Joint Ventures	CPM Likhitha Consortium
1. Latest audited Balance Sheet Date	31.03.2022
2. Date on which the Joint Venture was associated or acquired	31.03.2022
3. Shares of Joint Ventures held by the company on the year end	80%
No. of Shares	Not applicable
Amount of Investment in Joint Venture	₹17.71 Lakhs
Extent of Holding (in percentage)	80
4. Description of how there is significant influence	LIL is a Joint Venture Partner in CPM - Likhitha Consortium and holds 80% share.
5. Reason why the Joint venture is not consolidated.	Not applicable as accounts were consolidated
6. Net worth attributable to shareholding as per latest audited Balance Sheet	₹83,21,710/-
7. Profit or Loss for the year	₹65,50,500/-
i. Considered in Consolidation	₹65,50,500/-
ii. Not Considered in Consolidation	-

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

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

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

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

Place: Hyderabad
Date : 10.08.2022

sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014
(A) Conservation of energy

- (i) The steps taken or impact on conservation of energy - NIL
- (ii) The steps taken by the company for utilizing alternate sources of energy - NIL
- (iii) The capital investment on energy conservation equipment's - NIL

(B) Technology absorption

- (i) The efforts made towards technology absorption - NIL
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution - NIL
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - N.A.
- (iv) The expenditure incurred on Research and Development - NIL

(C) Foreign exchange earnings and Outgo -
(Amount in ₹)

Particulars	As on 31.03.2022	As on 31.03.2021
Expenditure in Foreign Currency (Material)	2,63,79,181.73	1,47,612.54

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

Place: Hyderabad
Date : 10.08.2022

sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

ANNEXURE-III

ANNUAL REPORT ON CSR ACTIVITIES

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

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

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

2. Composition of CSR Committee

S. No.	Name of the Director	Designation / Nature of Directorship	Number of CSR Meeting held during the year	Number of meetings attended by Committee members
1	Mr. Srinivasa Rao Gaddipati	Chairman (Managing Director)	2	2
2	Mrs. Sri Lakshmi Gaddipati	Member (Non- Executive Director)	2	0
3	Mr. Sivasankara Parameswara Kurup Pillai	Member (Non- Executive Independent Director)	2	2

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

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

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable: Not applicable

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

S. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
1	2018-19	-	-
2	2019-20	-	-
3	2020-21	-	-

6. Average Net Profit of the Company as per Section 135(5) of the Act: ₹3014.62 Lakhs

7. a) **Two percent of average net profit of the Company as per Section 135(5) of the Act for the Financial Year 2021-22: ₹60.29 Lakhs**
- b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil.**
- c) **Amount required to be set off for the Financial Year, if any: Not applicable**
- d) **Total CSR obligation for the Financial Year (a+b-c): ₹60.29 Lakhs**

8. a) **CSR Amount spent or unspent for the Financial Year (in ₹)**

Total amount spent	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹61.00 Lakhs	--	--	NA	--	NA

- b) Details of CSR amount spent against ongoing projects for the Financial Year: Refer Annexure- IIIA
- c) Details of CSR amount spent against other than ongoing projects for the Financial Year: Not applicable
- d) Amount spent in Administrative Overheads: NIL
- e) Total Amount spent on Impact Assessment, if applicable: NIL
- f) Total amount spent for the Financial Year: ₹61.00 Lakhs
- g) Excess Amount for set off, if any

S. No.	Particulars	Amount (₹)
1	Two percent of average Net Profit of the Company as per Section 135(5) of the Act	60.29 Lakhs
2	Total amount spent for the Financial Year	61.00 Lakhs
3	Excess amount spent for the Financial Year [(ii)-(i)]	0.71 Lakhs
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	--
5	Amount payable for set off in succeeding financial years [(iii)-(iv)]	--

9. a) Details of Unspent CSR Amount for the preceding three financial years: Nil
- b) Details of CSR amount spent in the Financial Year for ongoing projects of the preceding financial year(s): Nil
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year: Not applicable.
11. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5) of the Act: Not applicable

ANNEXURE-III A

(₹ in Lakhs)

S. No.	Name of Projects	Item from the list of activities in Schedule VII to the Act	Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) for projects or programs wise	Amount spent on the projects or programs Sub-Heads: (1) Direct Expenditure on projects or programs (2) Overheads	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of implantation- Direct (Yes/No)	Mode of implementation - Through implementing agency	
								Name	CSR Registration
1	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water. (Activity: Donation of Oxygen Concentrators to Government Hospital)	(i)	Avanigadda, Krishna District	9.95	9.95	-	Yes	-	-
2	Contribution to the prime minister's national relief fund 8[or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund)] or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women; (Activity: Donation to District Magistrate & Collector)	(viii)	Purulia	10.00	10.00	-	Yes	-	-
3	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;	(ii)	New Delhi	5.00	5.00	-	No	Plus Approach Foundation	CSS00011358
4	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects; (Activity: Donation to promoting education)	(ii)	Hyderabad, Telangana	0.50	0.50	-	Yes	-	-
5	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;	(ii)	Hyderabad, Telangana	35.00	35.00	--	No	Radiant Institute of Technology	CSR00004515
6	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects (Activity: Donation to promoting education)	(ii)	Gujarat 3r Publication	0.50	0.50	-	Yes	-	-
7	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects (Activity: Donation to Helping Child Organisation for Livelihood enhancement)	(i)	New Delhi	0.05	0.05	-	Yes	-	-
Total				61.00					

Responsibility Statement: The CSR Committee confirms that the implementation and monitoring of the Company's CSR policy in compliance with the objectives of the Company.

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

Place : Hyderabad
Date : 10.08.2022

sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

FORM NO. AOC-2

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

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

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

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

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

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

(Amount in Lakhs)

Name of Related Party	Nature of Relationship	Nature of Related Party Transaction	Duration of contract	Salient Terms, if any	Date of Approval of Board, if any	Amount of transaction (For FY 2021-22)
Mr. Srinivasa Rao Gaddipati	Managing Director	Rent	On going	Not applicable	31.10.2020	40.82
Mr. Dheerajram Chandra	General Manager - Operations	Remuneration	As per the terms of appointment	Not applicable	10.11.2021	9.00
Mrs. Likhitha Gaddipati	CFO	Remuneration	As per the terms of appointment	Not applicable	10.11.2021	9.00
M/s. CPM-Likhitha Consortium	Joint Venture	Investment	On going	Not applicable	01.12.2018	17.71
M/s. CPM-Likhitha Consortium	Joint Venture	Advance/Loan	On going	Not applicable	01.12.2018	166.93

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

Place: Hyderabad
Date : 10.08.2022

sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

ANNEXURE-V

PARTICULARS OF EMPLOYEES

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

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

Name of the Directors & KMP	Ratio to median	% increase / (decrease) in remuneration
Mr. Sudhanshu Shekhar Chief Executive Officer	5.19:1	15.38%
Mrs. Likhitha Gaddipati Chief Financial Officer	NA*	NA*
Mrs. Triveni Banda Company Secretary and Compliance Officer	NA*	NA*
Mr. Santhosh Kumar Gunemoni Company Secretary and Compliance Officer	NA*	NA*
Mr. Sambasiva Rao Ketineni* Chief Financial Officer	NA*	NA*

* Not applicable as they were not employed through out the Financial Year.

- The percentage increase in the median remuneration of employees in the Financial Year: 7.22%
- The number of permanent employees on the rolls of Company: 1015
- Average percentile increases already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The percentage increase in the salaries of employees other than Managerial Personnel in Financial Year 2021-22 was 7.22%. The increments given to employees are based on their potential, performance and contribution, which are bench marked against applicable Industry norms.

- Affirmation that the remuneration is as per the Remuneration Policy of the Company:

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

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

(Amount in Lakhs)

S. No	Employee name	Designation	Educational qualification	Age (Years)	Experience	Date of Joining	Gross Remuneration Paid	Previous employment and designation, If any	No. Shares held, If any	Whether relative to director or manager
1	P.K. Chakorborty	Vice President	B E (Mech) & MBA	54	10+Years	15.03.16	22.20	Cairn India Limited through Brunel (Senior Inspection Engineer)	-	No
2	Sudhanshu Shekhar	Chief Executive Officer	BE (Mech) & MBA	41	19 Years	12.02.18	18.60	Natural Gas & Water Pipeline Projects and City Gas Distribution Projects (Contractor)	4,812	No
3	Pardip Kumar Singh	RCM	BE (Mechanical)	45	23 Yeas	24.09.19	17.40	Punj Lloyd (OMAN)	-	No
4	Ranjit Mohanty	Project Manager	BE (Mechanical)	54	33 Years	10.11.21	6.11	EPMC Consultant Worley Services India Pvt Ltd	-	No
5	M. Srinivasa Sudhakar	Sr Project Manager	Diploma (Mech)	43	21+ Years	14.11.18	14.40	VCS Quality Services (India) Pvt. Ltd.	-	No
6	Cheeli Ravindra	Project Manager	BE (Mechanical)	44	25 Years	29.07.21	8.29	Mideast Pipeline Products	-	No
7	Binay Kumar Dubey	Incharge QA/QC	BTech	41	20 Years	04.05.16	10.13	Mott MackDonald Private Limited (Spread Incharge)	-	No
8	Krishna Gopal Singh	Manager QA/QC	BE (Mechanical)	39	15 Years	08.01.18	8.53	VCS Quality Service (P) Limited	-	No
9	Likhitha Gaddipati	CFO	Masters in Information Technology	27	4+ Years	01.10.21	9.00	Uber Technologies Inc	1625	Yes
10	Chandra Dheerajram	GM - Operations	Masters in Computer Science	27	5+ Years	01.10.21	9.00	State Farm	-	Yes

C. No employee of the Company who was appointed for throughout the year was in receipt of remuneration for an amount of One Crore and Two Lakh Rupees or above during the FY 2021-22.

D. No employee of the Company who was appointed for part of the year was in receipt of remuneration for an amount of Eight Lakh and Fifty Thousand Rupees per month or above during the FY 2021-22.

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

sd/-
Likhitha Gaddipati
Whole Time Director
DIN: 07341087

sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

Place: Hyderabad
Date : 10.08.2022

REPORT ON CORPORATE GOVERNANCE

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

1. Corporate Governance Philosophy

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

2. Board of Directors

- The Board of Directors along with its committees provides focus and guidance to the Company's management as well as directs and monitors the performance of the Company.
- The Board presently comprises of Eight (8) directors having rich and vast experience with specialized skills in their respective fields, comprising of four (04) Independent Directors, two (02) Non-Independent Non-Executive Directors and two (02) Executive Directors. The Company has a Non-Executive Chairman. The Independent Directors constitute more than 50% of the total number of Directors on the Board, with Two Executive Directors on the Board of the Company.
- All the directors on the Board of the Company have made necessary declarations/disclosures regarding their other directorships along with committee positions held by them in other companies.

S. No.	Name of the Director	Category & Designation	No of Board Meetings during the year		Attendance at AGM held on 04.09.2021	No of Directorships held in other Companies [@]	Committee [#]	
			Held	Attended			Chairmanship	Membership
1	Mr. Sivasankara Parameswara Kurup Pillai	Chairman, Non-Executive Independent Director	7	7	Yes	Nil	01	01
2	Mr. Srinivasa Rao Gaddipati	Managing Director & Promoter	7	7	Yes	02	Nil	02
3	Mrs. Likhitha Gaddipati	Whole-Time Director & Promoter	7	6	Yes	Nil	Nil	Nil
4	Mrs. Sri Lakshmi Gaddipati	Non-Executive Non-Independent Director	7	2	No	01	Nil	01
5	Mr. Kutumba Rao Gaddipati	Non-Executive Non-Independent Director	7	5	Yes	01	Nil	Nil
6	Mr. Venkata Sesha Talpa Sai Munupalle	Non-Executive Independent Director	7	6	Yes	Nil	01	Nil
7	Mr. Venkatram Arigapudi	Non-Executive Independent Director	7	5	Yes	Nil	Nil	Nil
8	Ms. Jayashree Voruganty	Non-Executive Independent Director	7	5	Yes	Nil	Nil	Nil

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

\$ None of the Directors aforementioned are directors of other listed entities.

Only membership of Audit and Stakeholders Relationship Committees of public limited companies including LIL are considered.

Number of board meetings held during the year under review:

During the year under review, seven (7) board meetings were held on the following dates:

03.06.2021	03.11.2021
11.06.2021	10.11.2021
11.08.2021	07.02.2022
29.03.2022	

In compliance with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the intervening period between two consecutive meetings did not exceed one hundred and twenty days (120 days).

As per the disclosures given by the respective directors, no director is a member of more than ten committees and chairman of more than five committees, as specified in Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all the companies in which he/she is a director. Further, no director is acting as independent director of more than seven listed companies and if he is a whole-time director of a listed Company, more than three companies.

Disclosure of Relationships between the Directors inter-se:

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

S. No.	Name of the Director	Name of the other relative director	Nature of relationship
1	Mrs. Likhitha Gaddipati	Mr. Srinivasa Rao Gaddipati, Managing Director (Promoter)	Daughter of Mr. Srinivasa Rao Gaddipati
2	Mrs. Sri Lakshmi Gaddipati	Mr. Srinivasa Rao Gaddipati, Managing Director (Promoter)	Spouse of Mr. Srinivasa Rao Gaddipati
3	Mr. Kutumba Rao Gaddipati	Mr. Srinivasa Rao Gaddipati, Managing Director (Promoter)	Brother of Mr. Srinivasa Rao Gaddipati

Number of shares and convertible instruments held by Non-Executive Directors: None of the Non-Executive Directors hold any equity shares or convertible instruments in the Company except the following:

S. No.	Name of the Director	Category	Number of shares held
1	Mrs. Sri Lakshmi Gaddipati	Non-Executive Non-Independent Director	3,65,625

web link where details of familiarisation programmes imparted to independent directors is disclosed.

The details of the programmes conducted by the Company for the familiarisation of Independent Directors are posted on the website of the Company under the weblink: <http://likhitha.co.in/investors.html>

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

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

- Business and Administration
- Finance and accounts
- Legal and governance
- Industry knowledge
- Risk management
- Analytical skills
- Decision making skills
- Leadership skills

Director-wise skills to be presented

Name of the Director	Designation	Years of Experience	Field of Expertise
Mr. Sivasankara Parameswara Kurup Pillai	Non-Executive Independent Director (Chairman)	30+ Years	Decision making Skills Industry Knowledge
Mr. Srinivasa Rao Gaddipati	Managing Director	30+ Years	Business and Administration Risk Management Decision making Skills Leadership Skills Industry Knowledge

Name of the Director	Designation	Years of Experience	Field of Expertise
Mrs. Likhitha Gaddipati	Whole-Time Director	05+ Years	Analytical Skills Leadership Skills Decision making skills
Mrs. Sri Lakshmi Gaddipati	Non-Executive Director	10+ Years	Business and Administration
Mr. Kutumba Rao Gaddipati	Non-Executive Director	20+ Years	Decision making skills Leadership Skills
Mr. Venkata Sesha Talpa Sai Munupalle	Non-Executive Independent Director	25+ Years	Legal and governance Finance and accounts
Mr. Venkatram Arigapudi	Non-Executive Independent Director	25+ Years	Legal and governance Industry knowledge Marketing expertise
Ms. Jayashree Voruganty	Non-Executive Independent Director	25+ Years	Legal and governance Finance and accounts

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

The Board of Directors confirms that in its opinion the Independent Directors fulfil the conditions specified by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Meeting of Independent Directors

A meeting of the Independent Directors was held on February 07, 2022, inter alia, to review the performance of the Non-Independent Directors and the Board as a whole, to review the performance of the Chairperson of the Company and to assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in Regulation 25 read with Schedule IV of the Companies Act, 2013 and are independent of the management.

In terms of Regulation 25(8) of SEBI Listing Regulations, Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

3. Audit Committee

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

The Company has constituted a qualified and independent Audit Committee comprising of 2/3 members as independent directors in accordance with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 177 of the Companies Act, 2013.

The Committee is empowered with the role and powers as prescribed under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions of the Board from time to time.

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

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

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

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

The Committee comprises of two Independent Directors. Five meetings of the Audit Committee were held during the year under review on June 11, 2021, August 11, 2021, November 3, 2021, February 7, 2022 and March 29, 2022. The gap between two meetings did not exceed one hundred and twenty days and necessary quorum was present at all the meetings.

The Composition of the Committee and details of attendance of the Committee members is as follows:

Name	Designation	No of Meetings	
		Held	Attended
Mr. Venkata Sesha Talpa Sai Munupalle	Chairman	5	5
Mr. Srinivasa Rao Gaddipati	Member	5	5
Mr. Sivasankara Parameswara Kurup Pillai	Member	5	5

There was no change in the composition of the Committee during the year under review.

4. Nomination and Remuneration Committee (NRC)

The Company has constituted Nomination and Remuneration Committee (NRC) comprising of three Non-Executive Directors. The Committee is empowered with the roles and powers as prescribed under Section 178 of the Companies Act, 2013 and in the Nomination and Remuneration policy of the Company. The Committee also acts in terms of reference and directions of the Board from time to time.

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

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

The Committee comprises of three (03) Non-Executive Independent Directors. Four meetings were held during the year under review on June 11, 2021, August 11, 2021, November 03, 2021 and February 07, 2022. Necessary quorum was present at all the meetings.

Name	Designation	No of Meetings	
		Held	Attended
Mr. Venkatram Arigapudi	Chairman	4	4
Mr. Sivasankara Parameswara Kurup Pillai	Member	4	4
Mr. Venkata Sesha Talpa Sai Munupalle	Member	4	4

4.2. Performance Evaluation

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

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

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

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

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

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

Performance evaluation was done by the respective bodies on February 07, 2022.

4.3. Remuneration of Directors

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

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

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

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

Category of Payment	Amount in Lakhs
Fixed Component	9.00
Performance Linked Incentives	--

Category of Payment	Amount in Lakhs
Allowances, Perquisites & Others	--
Commission	--
Company's contribution to PF	--
Perks	--
Total	9.00

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

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

Name of the Director	Designation	Sitting Fees paid (₹ in Lakhs)	No. of Shares held on 31.03.2022
Mr. Venkata Sesha Talpa Sai Munupalle	Non-Executive Independent Director	1.70	NIL
Mr. Sivasankara Parameswara Kurup Pillai	Chairman, Non-Executive Independent Director	2.30	NIL
Mr. Venkatram Arigapudi	Non-Executive Independent Director	1.10	NIL
Ms. Jayashree Voruganty	Non-Executive Independent Director	0.90	NIL

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

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

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

5. Stakeholder Relationship Committee (SRC)

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

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

5.1. Composition of Stakeholder Relationship Committee

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

Mrs. Triveni Banda,* Company Secretary is the Compliance Officer of the Company for attending to complaints / grievances of the members.

The Committee has met on February 07, 2022, and considered the issues of investor grievances.

* appointed w.e.f. 11.02.2022

The Composition of the Committee and details of attendance of the Committee members is as follows:

Name of the Director	Designation	No of Meetings	
		Held	Attended
Mr. Sivasankara Parameswara Kurup Pillai	Chairman	1	1
Mrs. Sri Lakshmi Gaddipati	Member	1	0
Mr. Srinivasa Rao Gaddipati	Member	1	1

Mr. Sivasankara Parameswara Kurup Pillai, Chairman of Stakeholder Relationship Committee attended AGM of the Company held on September 04, 2021.

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

Name of the Non-Executive Director heading the committee	Mr. Sivasankara Parameswara Kurup Pillai
Name and designation of the Compliance Officer	Mrs. Triveni Banda,* Company Secretary and Compliance Officer
Number of Shareholders' Complaints received in FY 2021-22	NIL
Number not solved to the satisfaction of shareholders	NIL
Number of pending complaints	NIL

* Appointed w.e.f. 11.02.2022.

6. Corporate Social Responsibility Committee (CSR Committee)

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

Composition of CSR Committee

Name of the Director	Designation	No of Meetings	
		Held	Attended
Mr. Srinivasa Rao Gaddipati	Chairman	2	2
Mrs. Sri Lakshmi Gaddipati	Member	2	0
Mr. Sivasankara Parameswara Kurup Pillai	Member	2	2

During the Financial Year 2021-22, the Committee met two times i.e., on June 11, 2021 and February 07, 2022 and details of attendance are mentioned in the table aforementioned.

7. Risk Management Committee

Pursuant to provisions of Regulation 21(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Risk Management Committee w.e.f. June 11, 2021 and

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

The Committee has reconstituted on February 07, 2022 to appoint Mrs. Likhitha Gaddipati as a member in the Committee.

The Composition of Risk Management Committee is as follows:

Name of the Director	Designation	Category of Directorship
Mr. Srinivasa Rao Gaddipati	Chairman	Managing Director
Ms. Jayashree Voruganty	Member	Independent Director
Mr. Sivasankara Parameswara Kurup Pillai	Member	Independent Director
Mr. Sudhanshu Shekhar	Member	Chief Executive Officer
Mrs. Likhitha Gaddipati*	Member	Whole-Time Director & Chief Financial Officer

*Mrs. Likhitha Gaddipati appointed as a member in the above committee in place of Mr. Sambasiva Rao Ketineni w.e.f. February 07, 2022.

General Body Meetings

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

Financial Year	Date	Venue	Time	Special Resolution passed
2020-21	04.09.2021	8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' roads, Yellareddy Guda, Hyderabad, Telangana - 500073	10.30 A.M.	Appointment of Mrs. Likhitha Gaddipati as a whole time Director of the Company.
2019-20	07.09.2020	Flat no. 701, plot no. 8-3-940 and 8-3-940/A to E, Tirumala shah residency, Yellareddy Guda, Ameerpet, Hyderabad, Telangana-500 073	02.00 P.M.	No Special Resolution was passed during the AGM
2018-19	30.09.2019	Flat no. 701, plot no. 8-3-940 and 8-3-940/A to E, Tirumala shah residency, Yellareddy Guda, Ameerpet, Hyderabad, Telangana-500 073	11.00 A.M.	No Special Resolution was passed during the AGM

During the year 2021-2022, one Special Resolution dated March 12, 2022, has been passed through postal ballot for re-appointment of Mr. Srinivasa Rao Gaddipati, Managing Director of the Company.

8. Means of Communication

a. Quarterly Results

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

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

b. Newspapers wherein results normally published.

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

c. Any website, where displayed.

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

d. Whether it also displays official news releases:

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

e. Presentations made to institutional investors or to analysts:

The presentations made to institutional investors or to analysts are displayed in the Company's website.

9. General Shareholder Information

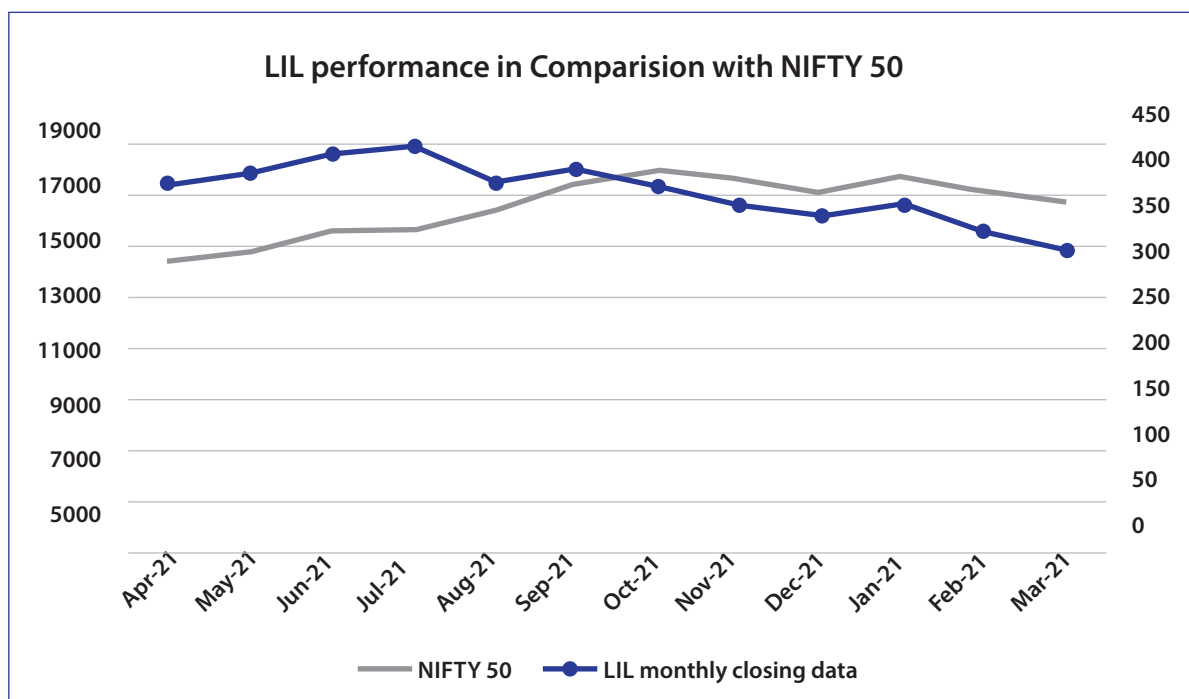
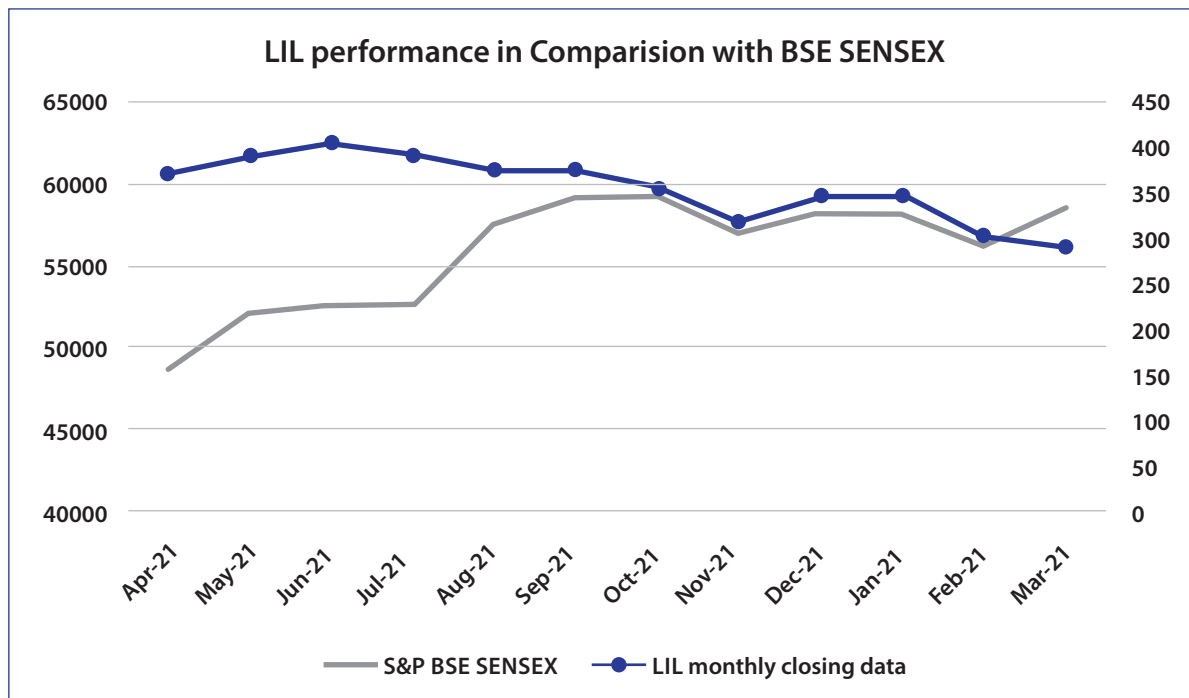
Annual General Meeting Date and Time:	Date: Monday, September 26, 2022 Time: 12.00 P.M.									
Venue	Through Video Conferencing and other Audio-visual means									
Period Date for exercising e-voting	From 23.09.2022, 09.00 A.M. to 25.09.2022, 05.00 P.M.									
Financial Year	April 01 2021- March 31 2022									
Book Closure (Cut-off date for e-voting)	September 19, 2022									
Dividend Payment Date	Within 30 days from the date of declaration									
Name of the Stock Exchange	1. National Stock Exchange of India Limited, "Exchange Plaza", 5 th Floor, Plot No. C/1, G Block, Bhandra-Kurla Complex, Bandra (E), Mumbai. 2. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai									
Stock Code	<table border="1"> <thead> <tr> <th>Name of the Stock Exchange</th> <th>Stock Code</th> <th>Scrip Code</th> </tr> </thead> <tbody> <tr> <td>BSE</td> <td>543240</td> <td>LIKHITHA</td> </tr> <tr> <td>NSE</td> <td>N.A.</td> <td>LIKHITHA</td> </tr> </tbody> </table>	Name of the Stock Exchange	Stock Code	Scrip Code	BSE	543240	LIKHITHA	NSE	N.A.	LIKHITHA
Name of the Stock Exchange	Stock Code	Scrip Code								
BSE	543240	LIKHITHA								
NSE	N.A.	LIKHITHA								
Listing fees to the stock exchange and Annual custodian fees to depositories for the year 2021-22 have been paid.										

Market price data & Share performance of the Company

The monthly high, low and trading volumes of the Company's equity shares during the financial year 2021-22 at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) are given below:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April 2021	419.20	331.65	774686	418.95	332.60	188202
May 2021	434.00	358.05	299400	435.00	363.00	122698
June 2021	480.00	378.05	730263	480.00	378.10	242477
July 2021	458.00	380.40	344330	458.20	383.70	146674
August 2021	420.95	311.30	307918	418.00	314.10	148492
September 2021	429.00	354.05	528011	429.00	354.25	134801
October 2021	404.00	349.20	263084	403.00	349.00	64096
November 2021	394.00	303.65	186156	395.95	316.00	51729
December 2021	402.70	315.25	90811	364.85	314.20	33409
January 2022	378.10	316.75	162859	378.00	320.05	69630
February 2022	398.95	272.95	107694	382.00	280.00	61513
March 2022	325.00	275.05	165031	319.40	281.00	41067

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



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

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

Registrar to an issue and share transfer agents;

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

Share transfer system

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

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

Distribution of Shareholding as on March 31, 2022:

S. No.	Category	No of Shareholders	% to total shareholders	No of Shares	% to Equity
1	1-5000	27,018	96.6033	17,01,037	8.62
2	5001-10000	511	1.8271	3,89,314	1.97
3	10001-20000	233	0.8331	3,48,783	1.77
4	20001-30000	73	0.2610	1,83,158	0.92
5	30001-40000	37	0.1323	1,29,028	0.66
6	40001-50000	27	0.0965	1,24,518	0.63
7	50001-100000	30	0.1073	2,35,631	1.20
8	100001 and above	39	0.1394	1,66,13,531	84.23
Total		27,968*	100.00	1,97,25,000	100.00

*The total number of shareholders i.e., 27,968 includes those shareholders who hold two Demat Accounts with the same PAN. Therefore, the actual shareholders as on March 31, 2022 are 27,489.

Shareholding pattern as on March 31, 2022:

Category	No of Shares held	Percentage of Capital
Indian Promoters	1,46,18,500	74.11
Banks, Financial Institutions, and Mutual Funds	NIL	-
Foreign Portfolio Investors and Foreign Institutional Investors	19,669	0.10

Category	No of Shares held	Percentage of Capital
Indian Public and HUF	2,12,754	1.07
Private Corporate Bodies/Body Corporate	549,801	2.79
NRI/OCBs/FCB and Foreign Nationals	1,11,869	0.57
Others	42,12,407	21.36
Total	1,97,25,000	100.00

Dematerialisation of shares and liquidity:

Number of shares	% of total shares	Number of Shareholders	% of total shareholders
1,97,25,000	100.00	27,489	100.00

The breakup of Shares in demat and physical form as on March 31, 2022, is as follows:

Particulars	No. of shares of ₹ 10/- each	% of shares
Demat Segment		
NSDL	20,87,410	10.58
CDSL	1,76,37,590	89.42
Sub-total	1,97,25,000	100.00
Physical Segment	NIL	-
Total	1,97,25,000	100.00

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

No GDR / ADRs / warrants or any convertible instruments have been issued by the Company during the year under review or are outstanding as at the end of the financial year 2021-22.

Commodity Price Risk or Foreign Exchange Risk and Hedging activities:

The Company is not involved in any such activity.

Registered Office and other branches:

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

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

The Company has not obtained any credit rating during the Financial Year 2021-22.

10. Other disclosures

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

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

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

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

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

- As per regulation 44(3) the listed entity shall submit to the stock exchange, within two working days of the conclusion of its General Meeting, details regarding the voting results in the format specified by the Board. The Company has not submitted its postal ballot results within 2 working days from the conclusion of the postal ballot.
- The Postal ballot was closed on Saturday, March 12, 2022, and the postal ballot report within 2 working days i.e., on or before March 15, 2022.
- However, the Company has submitted the same on March 18, 2022.

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

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

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

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

E. Policy for determining “material” subsidiaries.

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

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

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

G. Disclosure of Commodity Price Risks and Commodity Hedging Activities:

The Company is not dealing in any commodities.

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

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

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

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

Particulars	₹ in Lakhs
Name of Auditor	M/S. NSVR & Associates LLP
Statutory Audit	9.00
Reimbursement of Expenses	Nil

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

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

The disclosure pertaining to the complaints are given hereunder:

No of complaints received during the year	Nil
No of complaints disposed off during the year	Nil
No of complaints pending as on end of financial year	Nil

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

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

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

i. The Board

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

ii. Shareholders Rights

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

iii. Modified opinion(s) in audit report

There are no modified opinions in the Audit Report for the financial year ended March 31, 2022.

iv. Reporting of Internal Auditor

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

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

Regulation	Particulars of Regulations	Compliance Status (Yes/No/NA)
17	Board of Directors	Yes
17A	Maximum Number of Directorship	Yes
18	Audit Committee	Yes

19	Nomination and Remuneration Committee	Yes
20	Stakeholder Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to Subsidiary of listed entity	NA
24A	Secretarial Audit	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and Senior Management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

O. Declaration signed by the CEO stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management:

The Company has in place a comprehensive Code of Conduct (the Code) pursuant to Regulation 17(5) of LODR Regulations, which is applicable to all the senior management personnel and directors including independent directors to such extent as may be applicable to them depending on their roles and responsibilities.

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

Declaration on compliance with Code of Conduct is enclosed as Annexure IB to this Report.

P. CEO and CFO Certification

Chief Executive Officer and Chief Financial Officer have provided a certificate in compliance with the Regulations 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Q. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report:

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

R. Transfer of shares to Investor Education & Protection Fund

This provision is not applicable to the Company as the Company has declared dividend from the year 2020-21 onwards as all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more (relevant shares) up to and including the financial year 2013-14 should transfer by the Company in the name of Investor Education and Protection Fund established by the Central Government during the financial year 2021-22 from time to time.

However, the Company has declared dividend from the FY 2020-21, the aforementioned provisions are not applicable to your Company.

S. Unclaimed Equity Dividends and Shares

Section 124(5) of the Act, 2013 and Rules made thereunder mandate that dividends that are not encashed or claimed, within seven years from the date of its transfer to the unpaid dividend account will be transferred to the Investor Education and Protection Fund (IEPF).

T. Balance in Unclaimed / Unpaid Dividend Accounts as on March 31, 2022

(in ₹)

S. No	Particulars	31.03.2022
1	Final Dividend for FY 2020-21	1,44,705
2	Interim Dividend for FY 2021-22	1,22,547

The Company sends periodic communication to the concerned shareholders, advising them to lodge their claims with respect to unclaimed dividend. Shareholders are informed that once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

U. Guidance for Investor to file claim: The shareholders are requested to note that, after the above referred transfer(s) is made, refunds from the IEPF can be claimed only by complying with the provisions of Rule 7 of the said Rules.

V. Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account:

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

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

sd/-

Likhitha Gaddipati
Whole Time Director
DIN: 07341087

sd/-

Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

Place: Hyderabad
Date : 10.08.2022

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 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
LIKHITHA INFRASTRUCTURE LIMITED
8-3-323, 9th Floor, Vasavi's MPM Grand,
Ameerpet 'X' roads, Yellareddy Guda,
Hyderabad, Telangana - 500 073.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **LIKHITHA INFRASTRUCTURE LIMITED (CIN: L45200TG1998PLC029911)** (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- I) The Companies Act, 2013 (the Act) (to the extent applicable) and the Rules made thereunder;
- II) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- IV) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V) The following Regulations and Guidelines prescribed under the Securities Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations");
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period)**
- g. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)** and,
- i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period).**

VI) Relying on the representations given by the Company and its officers with regard to other laws specifically applicable to the Company and its compliance, we opine that the Company has complied with the following laws:

- a. The Contract Labour (Regulation & Abolition) Act, 1970

VII) We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India;

We report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards, etc. mentioned above except as stated hereunder.

- a) In accordance with the provisions of Regulation 44(3) of LODR Regulations, the Company shall submit the report of Scrutinizer within 2 working days from the closure of the General Meeting/Postal Ballot. However, the Company has submitted the same with a delay of three working days.

We further report that:

Except as disclosed above, the Board of Directors of the Company are duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All the decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period no specific events/actions took place having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

for VCAN & Associates
Practicing Company Secretaries
Ajay Naga Chowdary Vemuri
Partner
M. No. F11106; C.P.No.15460
UDIN: F011106D000792271

Place: Hyderabad

Date: August 10, 2022

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

ANNEXURE-A TO THE SECRETARIAL AUDIT REPORT

To,
The Members
LIKHITHA INFRASTRUCTURE LIMITED
8-3-323, 9th Floor, Vasavi's MPM Grand,
Ameerpet 'X' roads, Yellareddy Guda,
Hyderabad, Telangana- 500 073.

My Report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a random test basis to ensure those correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for my opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have relied up on the information provided by the Management with respect to related party transactions for its compliance.

for VCAN & Associates
Practicing Company Secretaries

Ajay Naga Chowdary Vemuri
Partner
M. No. F11106; C.P.No.15460
UDIN:F011106D000792271

Place: Hyderabad
Date: August 10, 2022

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

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
for the Financial Year ended March 31, 2022)

To
The Board of Directors
Likhitha Infrastructure Limited.

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

1. We have reviewed financial statements and the cash flow statement for the financial year ended March 31 2022 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - b) These statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. There have been no significant changes in the above-mentioned internal controls over financial reporting during the Financial Year 2021-22
5. There have been no significant changes in the accounting policies during the Financial Year 2021-22.
6. We have not noticed any significant fraud particularly those involving the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Date : 10.08.2022
Place : Hyderabad

Sd/-
Sudhanshu Shekhar
Chief Executive Officer

Sd/-
Likhitha Gaddipati
Chief Financial Officer

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

I, Srinivasa Rao Gaddipati, Managing Director, hereby declare that the Company has received declarations from all the Board Members and Senior Managerial Personnel affirming Compliance with the Code of Conduct for the Members of the Board and Senior Managerial Personnel for the year ended March 31, 2022.

Date : 10.08.2022
Place : Hyderabad

Sd/-
Srinivasa Rao Gaddipati
Managing Director
DIN: 01710775

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Likhitha Infrastructure Limited,
Hyderabad, Telangana - 500073.

We have examined the compliance of the conditions of Corporate Governance by Likhitha Infrastructure Limited (hereinafter referred to as "the Company") for the year ended March 31, 2022, as stipulated in Chapter IV of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

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

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

for VCAN & Associates
Practicing Company Secretaries

Ajay Naga Chowdary Vemuri
M. No. F11106
C. P. No. 15460
UDIN: F011106D000792249

Date : 10.08.2022
Place : Hyderabad

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Board of Directors

LIKHITHA INFRASTRUCTURE LIMITED

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Likhitha Infrastructure Limited having CIN: L45200TG1998PLC029911 and having registered office at 8-3-323, 9th Floor, Vasavi's MPM Grand, Ameerpet 'X' Roads, Yellareddy Guda, Hyderabad, Telangana - 500 073 (hereinafter referred to as 'the Company') produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S. No.	Name of the Director	DIN	Date of Appointment in the Company
1	Mr. Srinivasa Rao Gaddipati	01710775	06.08.1998
2	Mrs. Sri Lakshmi Gaddipati	02250598	06.08.1998
3	Mr. Kutumba Rao Gaddipati	02333387	16.08.1998
4	Mrs. Likhitha Gaddipati	07341087	08.01.2018
5	Mr. Venkata Sessa Talpa Sai Munupalle	08388354	28.03.2019
6	Mr. Sivasankara Parameswara Kurup Pillai	08401552	28.03.2019
7	Mr. Venkatram Arigapudi	08939773	31.10.2020
8	Ms. Jayashree Voruganty	09137732	10.04.2021

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

**for VCAN & Associates
Practicing Company Secretaries**

Ajay Naga Chowdary Vemuri

M. No. F11106

C. P. No. 15460

UDIN: F011106D000792227

Date : 10.08.2022

Place : Hyderabad

STANDALONE FINANCIALS

INDEPENDENT AUDITOR'S REPORT

To
The Members of
M/s. LIKHITHA INFRASTRUCTURE LIMITED

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Standalone financial statements of **LIKHITHA INFRASTRUCTURE LIMITED** ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including Other Comprehensive Income), the cash flow Statement and the statement of changes in equity and for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current 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.

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

Appropriateness of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers”	
Key audit matter description	Appropriateness of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers”
	The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. And also the required disclosure as specified by the said standard.
Audit Procedures	<p>We have assessed the processes adopted by the company in identifying performance obligations laid down by the company to identify the impact of adoption of the revenue accounting standard and also the revenue recognition criteria said by the company.</p> <p>The procedures performed included the following:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard; • Review terms and conditions of continuing and new contracts on sample basis and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. • We have carried out procedures involving inspection and examination of evidence which include the underlying supporting documents, internal and external supporting records in respect of transactions with the customers in relation to the continuing and new contractor and • In respect of significant continuing and new contracts, we performed the following procedures: <ul style="list-style-type: none"> i. Read and analysed contracts to understand terms and conditions to ascertain the distinct performance obligations in such contracts; ii. Compared such performance obligations with that identified and recorded by the Company; iii. Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration; iv. Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

Other Information

The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, for example, Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon. The other information as stated above is expected to be made available to us after the date of this auditor’s report.

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

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

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

We also:

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material

uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure-B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, based on our audit we report that:

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

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.

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

In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of the section 197 of the Act.

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

The Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements.

The Company has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For NSVR & ASSOCIATES LLP

Chartered Accountants,

Firm Reg No: 0088015/S200060

Suresh Gannamani

Partner

Membership No: 226870

UDIN: 22226870ALFQEQ4557

Place: Hyderabad

Date:28/05/2022

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of LIKHITHA INFRASTRUCTURE LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that,

in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For NSVR & ASSOCIATES LLP

Chartered Accountants,
Firm Reg No: 008801S/S200060

Suresh Gannamani

Partner
Membership No: 226870
UDIN: 22226870ALFQEQ4557

Place: Hyderabad
Date: 28/05/2022

Annexure – B to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the **LIKHITHA INFRASTRUCTURE LIMITED** on the Standalone Financial Statements for the period ended March 31, 2022, we report that:

1.1 In respect of its Fixed Assets:

- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

- (c) The title deeds of immovable properties, as disclosed in note 3 on property, plant and equipment to the Ind AS financial statements, are held in the name of the Company.

2.1 In respect of its Inventories:

- a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- b. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

- 3.1 The Company has not granted any loans, secured or unsecured during the period. Thus, paragraphs 3 (iii) of the order is not applicable to the company.
- 4.1 In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments or provided securities to companies and other parties listed under section 185 and 186 of the Act.
- 5.1 The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and rules framed there under.
- 6.1 The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- 7.1 According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable to the appropriate authorities have generally been regularly deposited during the year by the Company with the appropriate authorities.
- 7.2 According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or Goods and Services Tax or duty of customs or duty of excise or value added tax which have not been deposited by the company on account of dispute.

The particulars of dues of income tax, sales tax, service tax and entry tax as at March 31, 2022 which have not been deposited on account of a dispute are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021	Forum Where Dispute is Pending
Telangana Value Added Tax Act, 2005			
Demand under Rule 17 (1) (e) of the APVAT Rules, 2005 Financial Year 2008-2009 [₹307,190/- was paid under protest]	614,381	614,381	Sales Tax Tribunal
Demand under Rule 17 (1) (e) of the APVAT Rules, 2005 Financial Year 2009-2010 [₹767,828/- was paid under protest]	1,535,656	1,535,656	Sales Tax Tribunal
Income tax Act, 1961			
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2017-18	2,21,02,029	2,21,02,029	Income Tax Tribunal
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2018-19	3,06,52,410	-	Income Tax Tribunal
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2019-20	3,15,960	-	Income Tax Tribunal

*net of amounts paid under protest of includes interest and penalty levied on the disputed demand which will be settled in case such demand is required to be paid by the Company.

- 8.1 According to the information, the company doesn't have any undisclosed or Unrecorded income during the year.
- 9.1 According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks.
- 10.1 In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been used by the Company during the year for the purpose for which they were raised.
- 11.1 To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 12.1 In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- 13.1 According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- 14.1 In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15.1 According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.

16.1 According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

17.1 The company has not incurred the cash losses in the current financial year Hence, this clause is not applicable for the company.

18.1 During the year, there was no resignation of the statutory auditors and accordingly this clause is not applicable

19.1 According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

20.1 There is no amount to be spent for other than ongoing projects towards corporate social responsibility (CSR). Hence, reporting under clause 3(xx)(a) of the order is not applicable for the year.

The Company does not have any ongoing projects relating to CSR. Hence, reporting under clause 3(xx)(b) of the order is not applicable.

For NSVR & ASSOCIATES LLP

Chartered Accountants,
Firm Reg No: 008801S/S200060

(Suresh Gannamani)

Partner
Membership No: 226870
UDIN: 22226870ALFQEQ4557

Place: Hyderabad

Date: 28/05/2022

Standalone Balance Sheet as at March 31, 2022

(All amounts in INR, unless otherwise stated)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	3	15,98,22,135	9,36,67,288
(b) Investment Property	3(i)	2,22,42,191	2,28,87,832
(c) Intangible Assets	3(ii)	2,11,189	2,84,681
(d) Financial Assets			
(i) Investments	4(i)	1,74,992	1,68,834
(ii) Loans and Advances	5	2,72,51,434	2,83,90,344
(iii) Other Financial Assets	6	7,83,28,658	-
(e) Deferred Tax Assets (Net)	17	44,90,214	31,32,730
(f) Other Non-current Assets			-
Total Non-current Assets		29,25,20,813	14,85,31,708
Current Assets			
(a) Inventories & Work in progress	7	43,96,36,616	22,50,52,523
(b) Financial Assets			
(i) Investments	4(ii)	39,40,36,411	55,75,07,613
(ii) Trade Receivables	8	67,77,70,183	38,83,74,042
(iii) Cash and Cash Equivalents	9	7,24,43,081	2,19,93,298
(iv) Bank Balances other than above (iii)	10	15,27,41,982	15,35,36,450
(v) Other Financial Assets	11	7,47,02,114	16,69,60,420
(c) Current Tax Assets (Net)	22	-	1,17,68,685
(d) Other Current Assets	12	4,89,13,900	1,39,73,581
Total Current Assets		1,86,02,44,286	1,53,91,66,613
Total Assets		2,15,27,65,099	1,68,76,98,321
Equity and Liabilities			
Equity			
(a) Equity Share Capital	13	19,72,50,000	19,72,50,000
(b) Other Equity	14	1,72,36,41,718	1,33,67,86,264
Total Equity		1,92,08,91,718	1,53,40,36,264
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Long-term borrowings	15	-	-
(b) Provisions	16	21,72,184	18,89,461
(c) Deferred Tax Liabilities (Net)			-
Total Non-current Liabilities		21,72,184	18,89,461
Current Liabilities			
(a) Financial Liabilities			
(i) Short-term borrowings	18	-	1,32,396
(ii) Trade payables - total dues of:			
: small and micro enterprises			
: others than small and micro enterprises	19	8,92,58,255	1,79,91,288
(iii) Other financial liabilities	20	1,11,90,198	44,75,894
(b) Other current liabilities	21	11,88,18,888	12,91,21,453
(c) Provisions	22	3,91,918	51,564
(d) Current Tax Liability (Net)	23	1,00,41,938	-
Total Current Liabilities		22,97,01,197	15,17,72,595
Total Liabilities		2,15,27,65,099	1,68,76,98,321
Corporate Information	1		
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the Ind AS financial statements

This is the Balance Sheet referred to in our report of even date

As per our report of even date

For NSVR & ASSOCIATES LLP

Chartered Accountants

FRN: 008801S/S200060

Suresh Gannamani

Partner

Membership No: 226870

UDIN: 22226870ALFQEQ4557

For and on behalf of Board of Directors

G Srinivasa Rao

Managing Director

DIN: 01710775

G Sri Lakshmi

Director

DIN: 02250598

Place : Hyderabad

Date : 28/05/2022

Likhitha Gaddipati

Chief Financial Officer

Triveni Banda

Company Secretary

Sudhanshu Shekar

Chief Executive Officer

Standalone Statement of Profit and loss for the period ended March 31, 2022

(All amounts in INR, unless otherwise stated)

Particulars	Note No	For the period ended March 31, 2022	For the period ended March 31, 2021
Revenue			
Revenue from operations	24	2,57,13,67,000	1,90,62,17,079
Other income	25	3,56,00,932	2,31,53,998
Total Revenue		2,60,69,67,931	1,92,93,71,077
Expenses			
Raw Material Consumed	26	51,40,75,787	34,65,42,009
Construction expenses	27	1,25,78,93,250	78,02,41,214
Changes in inventories of work-in-progress	28	-20,82,09,750	2,23,66,916
Employee benefits	29	31,17,26,676	30,73,33,324
Finance cost	30	53,31,962	67,06,363
Depreciation	3	3,68,65,405	2,45,57,739
Other expenses	31	8,45,44,986	5,78,88,924
Total expenses		2,00,22,28,316	1,54,56,36,488
Profit before tax		60,47,39,615	38,37,34,589
Tax expense:			
Current tax		15,14,55,288	9,49,60,719
Deferred tax		(13,72,650)	(11,22,727)
Tax expense		15,00,82,638	9,38,37,992
Profit for the year		45,46,56,977	28,98,96,596
Other comprehensive income			
a) (i) Items that will not be reclassified to profit or loss		60,252	62,89,205
(ii) Income tax relating to items that will not be reclassified to profit or loss		(15,165)	(15,82,993)
b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other comprehensive income for the year, net of tax		45,087	47,06,212
Total comprehensive income for the year, net of tax		45,47,02,064	29,46,02,808
Corporate Information	1		
Earnings per share:	2		
Basic earnings per share of ₹10/-each		23.05	17.05
Diluted earnings per share of ₹10/- each		23.05	17.05

The accompanying notes form an integral part of the Ind AS financial statements

This is the Balance Sheet referred to in our report of even date

As per our report of even date

For NSVR & ASSOCIATES LLP

Chartered Accountants

FRN: 008801S/S200060

Suresh Gannamani

Partner

Membership No: 226870

UDIN: 22226870ALFQE4557

For and on behalf of Board of Directors

G Srinivasa Rao

Managing Director

DIN: 01710775

G Sri Lakshmi

Director

DIN: 02250598

Place : Hyderabad

Date : 28/05/2022

Likhitha Gaddipati
Chief Financial Officer

Triveni Banda
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

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

(All amounts in INR, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash Flow from Operating Activities:		
Profit before tax for the year	60,47,39,615	38,37,34,589
Adjustments for:		
Depreciation	3,68,65,405	2,45,57,739
Finance Charges	53,31,962	25,04,074
Dividend received	-	-
Interest Earned	(3,27,45,075)	(2,07,34,290)
Operating Profit before working capital changes	61,41,91,906	39,00,62,112
Adjustments for:		
(Increase) / Decrease in Inventory	-21,45,84,093	2,17,72,250
(Increase) / Decrease in Trade receivables	-28,93,96,141	(22,48,86,528)
(Increase) / Decrease in Long Term Loans and advances	11,38,910	(14,93,300)
(Increase) / Decrease in Financial assets	1,39,29,648	7,08,82,361
(Increase) / Decrease in Other Current assets	-3,49,40,318	(79,57,335)
(Decrease) / Increase in Trade payables	7,12,66,967	(12,13,54,335)
(Decrease) / Increase in Provision for employee benefits	6,83,270	(45,89,664)
(Decrease) / Increase in Current Financial liabilities	67,14,304	(14,88,752)
(Decrease) / Increase in Other liabilities	-1,03,02,565	2,13,75,747
Cash Generated from Operations	15,87,01,889	14,23,22,555
Taxes Paid(Net)	(12,96,44,664)	(13,42,18,391)
Net Cash (used) / from Operating Activities (A)	2,90,57,224	81,04,164
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets including Capital Advances and Capital Creditors	(10,23,01,061)	(2,47,54,083)
Investments	16,34,65,044	(49,99,01,199)
Interest Received	3,27,45,075	2,07,34,290
Net Cash from / (used) Investing Activities (B)	9,39,09,058	(50,39,20,992)
C. Cash Flow from Financing Activities:		
Interest Paid	(53,31,962)	25,04,074
Receipt / (Repayment) of short term borrowings	-	(75,61,688)
Dividend Paid	(5,91,75,000)	-
Proceeds from IPO net of Expenses	-	53,73,57,323
IPO Expenses	(86,71,609)	-
Net Cash from / (used) Financing Activities (C)	(7,31,78,571)	53,22,99,709
Net Increase/(Decrease) incash and cash equivalents (A+B+C)	4,97,87,712	3,64,82,880
Cash and Cash equivalents at beginning of the year	17,53,97,351	13,89,14,471
Cash and Cash equivalents at end of the year	22,51,85,063	17,53,97,351
General Information	Note 1	
Summary of significant accounting policies	Note 2	

1) Cash and Cash equivalents includes:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash on hand	5,30,412	15,47,182
Cash Equivalents		
- Current accounts	7,16,45,418	2,04,46,116
Margin money deposits	15,27,41,982	15,35,36,450
Short Term Borrowings From Banks	-	(1,32,396)
Less: Dividend amount in banks	2,67,252	
Total	22,51,85,063	17,53,97,351

The accompanying notes form an integral part of the financial statements for the year ended 31 March 2022

As per our report of even date

For and on behalf of Board of Directors

For NSVR & ASSOCIATES LLP

Chartered Accountants

FRN: 008801S/S200060

Suresh Gannamani

Partner

Membership No: 226870

UDIN: 22226870ALFQEQ4557

G Srinivasa Rao

Managing Director

DIN: 01710775

G Sri Lakshmi

Director

DIN: 02250598

Place : Hyderabad

Date : 28/05/2022

Likhitha Gaddipati
Chief Financial Officer

Triveni Banda
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Authorised:				
Equity Shares of INR 10 each	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Issued, subscribed and paid up:				
Equity Shares of INR 10 each fully paid up	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000
Total	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000

Other Equity

Particulars	Reserves and surplus		Other comprehensive income	Total
	General Reserve	Retained Earnings		
Balance as at March 31, 2020	17,55,632	55,22,60,753	-7,08,584	55,33,07,801
Add: Profit upto 31.03.2021	-	28,98,96,596	-	28,98,96,596
Re-measurement gains/(losses)	-	-	47,06,212	47,06,212
Less: Expenses on IPO	-	(7,21,24,346)	-	(7,21,24,346)
Add: Securities Premium	-	56,10,00,000	-	56,10,00,000
Balance as at March 31, 2021	17,55,632	1,33,10,33,004	39,97,628	1,33,67,86,264
Add: Profit upto 31.03.2022	-	45,46,56,977	-	45,46,56,977
Re-measurement gains/(losses)	-	-	45,087	45,087
Less: Expenses on IPO	-	-86,71,609	-	-86,71,609
Add: Dividend paid	-	-5,91,75,000	-	-5,91,75,000
Balance as at March 31, 2022	17,55,632	1,71,78,43,372	40,42,715	1,72,36,41,719

As per our report of even date

For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN: 008801S/S200060

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 22226870ALFQE4557

Place : Hyderabad
Date : 28/05/2022

For and on behalf of Board of Directors

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Likhitha Gaddipati
Chief Financial Officer

Triveni Banda
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1. General Information

LIL is a limited Company incorporated in India in 1998. The address of its registered office is in the state of Telangana, India in accordance with the provisions of the Companies Act, 1956. The Company is engaged in the business of laying gas supply pipe lines and irrigation canals, building bridges over the canals and related maintenance works.

2. Significant Accounting Policies

2.1 Basis of preparation and presentation of Financial Statements

The financial statements of LIL have been prepared and presented in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015, as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

2.2 Basis of Measurement

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- a. Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- b. Employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation, and

In addition, for financial reporting purposes, fair value measurements are categorized into 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 within 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

All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization/settlement within twelve months period from the balance sheet date.

2.3 Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

a. Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

b. Employee Benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

c. Provision and contingencies

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

d. Fair valuation

Fair value is the market based measurement of observable market transaction or available market information. All financial instruments are measured at fair value as at the balance sheet date, as provided in Ind AS 109 and 113. Being a critical estimate, judgment is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraiser's etc., as applicable.

e. Deferred taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.4 Functional and presentation currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakhs.

2.5 Current and noncurrent classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of financial statements.

Assets: An asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within twelve months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;

- c. It is due to be settled within twelve months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification

Current assets/ liabilities include the current portion of noncurrent assets/ liabilities respectively. All other assets/ liabilities are classified as noncurrent. Deferred tax assets and liabilities are always disclosed as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.6 Foreign Currency Transaction

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

2.7 Property Plant & Equipment

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Directly attributable costs include:

- a. Cost of Employee Benefits arising directly from Construction or acquisition of PPE.
- b. Cost of Site Preparation.
- c. Initial Delivery & Handling costs.
- d. Professional Fees and
- e. Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition (such as samples produced when testing equipment).

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment based on the Companies Act, 2013 (“Schedule II”), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on pro rata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Plant & Machinery	25
Plant & Machinery (IML)	25
Plant & Machinery (Vinegar)	25
Electrical Installations	25
Furniture & Fixtures	10
Office Equipment	5
Computers	6
Vehicles	8

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other noncurrent assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

The Company assesses at each balance sheet date, whether there is objective evidence that an asset or a group of assets is impaired. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or fair value less cost to sell.

2.8 Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset’s future economic benefit are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Intangible Assets	
Computer Software	3

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

2.9 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

Investment in Preference Shares and Unquoted trade Investments

Investment in Preference Shares and Unquoted trade Investments are measured at amortized cost using Effective Rate of Return (EIR).

Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-

through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of trade receivables

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration the date of billing, the credit period and the collection days.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Fair value measurement

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the Company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.10 Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

2.11 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at Fair Value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity

Investments in subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when: a. The rights to receive cash flows from the asset have expired, or b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- (a) the Company has transferred substantially all the risks and rewards of the asset, or
- (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the

asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of trade receivables

In accordance with Ind AS 109, the company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset. As Company trade receivables are realised within normal credit period adopted by the company, hence the company trade receivables are not impaired.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss

2.12 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to

determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.13 Current and Non-Current Classification:-

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

Assets: An asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within twelve months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within twelve months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets / liabilities include the current portion of non-current assets / liabilities respectively. All other assets/ liabilities are classified as non-current.

2.14 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits, balance in dividend accounts which are not due and unclaimed dividend balances shall be disclosed as restricted cash balances.

2.15 Employee Benefits

a. **Short term employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service

b. **Defined Contribution Plan**

The company's contribution to superannuation fund, considered as defined contribution plans are charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

c. **Defined Benefit Plans**

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting

period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

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

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet 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 reductions in future contributions to the plans

d. Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

e. Other long-term employee benefits

Other Long term employee benefit comprise of Leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Provisions, contingent liabilities and contingent assets

Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

2.16 Revenue Recognition

Revenue from contracts with customers

Revenue is recognized when the Company substantially satisfied its performance obligation while transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Other Income

Interest Income

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established.

2.17 Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing cost also include Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

2.18 Tax Expenses

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

Current tax expense comprises taxes on income from operations in India and foreign tax jurisdictions. Tax expense related to India is determined on the basis of the Income Tax Act, 1961 and quantified at the amount expected to be paid to the taxation authorities using the applicable tax rates. Tax expense relating to overseas operations is determined in accordance with the tax laws applicable in countries where such operations are domiciled.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. 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 utilized. 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.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized or the year ended 31 March 2022.

In other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.19 Earnings Per Share

The Company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.20 Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortized cost using effective interest method, less provision for impairment, if any.

2.21 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.22 Determination of fair values

The Company’s accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

(i) Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

(ii) Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the “relief of royalty method”). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

(iii) Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(iv) Investments in equity and debt securities and units of mutual funds

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

2.23 Segment Reporting

The Managing Director of the company has been identified as being the Chief Operating Decision Maker (CODM). In the opinion of the management, the company operates in only one segment i.e. laying of gas pipe lines and development of allied infrastructure. Accordingly, disclosure of segment information as prescribed in the Indian accounting standard 108 “Operating segments” is not applicable.

2.24 Note on “Code on Security, 2020”

The Indian Parliament has approved the Code on Social Security, 2020 (“the Code”) which would impact the contributions by the company towards Provident Fund and Gratuity. The purpose of the Code on Social Security, 2020 is to amend and consolidate the laws relating to social security with the goal to extend social security to all employees and workers either in the organized or unorganized or any other sectors and for matters connected therewith or incidental thereto. The Code was passed by the Lok Sabha on September 22, 2020 and subsequently, by the Rajya Sabha on September 23, 2020 with a view to amalgamate, simplify and rationalize the relevant provisions of the nine central labour enactments relating to social security. The Code is yet to receive assent of the President of India. The Code shall come into force on such date as the Central Government may, by notification appoint and different dates may be appointed for different provisions of the SS Code. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

2.25 New Accounting pronouncements

The Ministry of Corporate Affairs (MCA) vide notification dated March 23, 2022 issued the Companies (Indian Accounting Standards) Amendment Rules, 2022. These rules notify certain amendments to Indian Accounting Standards (Ind AS). These amendments are effective from April 01, 2022.

Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

As per Ind AS 37, a contract is 'onerous' when the unavoidable costs of meeting the contractual obligations (i.e. the lower of the costs of fulfilling the contract and the costs of terminating it) outweigh the economic benefits. Ind AS 37 did not define what are the costs of fulfilling a contract.

The amendments have clarified the types of costs a company can include as the 'costs of fulfilling a contract' while assessing whether a contract is onerous as under:

- (a) The incremental costs of fulfilling that contract – for example, direct labour and materials; and
- (b) An allocation of other costs that relate directly to fulfilling contracts –for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others.

The amendments apply for annual reporting periods beginning on or after 1 April 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of initially applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not required to be restated.

Ind AS 16, Property, Plant and Equipment

Amendments to Ind AS 16 have clarified the accounting treatment for sale proceeds of items produced by PPE while preparing it for its intended use.

These amendments have clarified that excess of net sale proceeds of items produced over the cost of testing, if any, would not be recognised in the statement of profit or loss, but deducted from the directly attributable costs considered as part of cost of an item of PPE.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022.

The aforesaid amendments do not have any material impact on the consolidated financial statements of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note No. 3 Property, Plant and Equipment (Investment Property)

(All amounts in INR, unless otherwise stated)

Particular	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total
Gross Block						
As at April 01, 2020	12,71,56,784	2,69,972	1,96,76,073	18,25,812	23,47,433	15,12,76,074
Additions during the Year	1,82,42,154	39,23,115	1,58,932	5,07,165	16,22,717	2,44,54,083
Deductions during the Year	-	-				-
As at March 31, 2021	14,53,98,938	41,93,087	1,98,35,005	23,32,977	39,70,150	17,57,30,157
Additions during the Year	9,74,83,372	2,24,000	25,32,741	2,90,471	17,70,477	10,23,01,061
Deductions during the Year	-	-				-
As at March 31 2022	24,28,82,310	44,17,087	2,23,67,746	26,23,448	57,40,627	27,80,31,218
Depreciation						
As at April 01, 2020	4,68,34,096	75,041	86,76,325	14,46,499	10,05,798	5,80,37,759
For the Period	1,81,75,128	10,71,217	31,04,791	5,31,934	11,42,040	2,40,25,110
On deductions	-	-				-
As at March 31, 2021	6,50,09,224	11,46,258	1,17,81,116	19,78,433	21,47,838	8,20,62,869
For the Period	2,91,55,429	12,73,512	34,54,977	4,12,463	18,49,892	3,61,46,272
On deductions	-	-				-
As at March 31, 2022	9,41,64,653	24,19,770	1,52,36,093	23,90,896	39,97,730	11,82,09,141
Net Block						
As at April 01, 2020	8,03,22,688	1,94,931	1,09,99,748	3,79,313	13,41,635	9,32,38,315
As at March 31, 2021	8,03,89,714	30,46,829	80,53,889	3,54,544	18,22,312	9,36,67,288
As at March 31, 2022	14,87,17,657	19,97,317	71,31,653	2,32,552	17,42,898	15,98,22,135

Note No. 3(i) Investment Property

Particular	Land	Buildings
As at April 01, 2020	1,80,19,255	64,95,014
Additions during the Period	-	-
Deductions during the Period	-	-
As at March 31, 2021	1,80,19,255	64,95,014

Particular	Land	Buildings
Additions during the Period	-	-
Deductions during the Period	-	-
As at March 31, 2022	1,80,19,255	64,95,014
Depreciation		
As at April 01, 2020		11,09,127
For the Period	-	5,17,310
On deductions	-	-
As at March 31, 2021	-	16,26,437
For the Period	-	6,45,641
On deductions	-	-
As at March 31, 2022	-	22,72,078
As at April 01, 2020	1,80,19,255	53,85,887
As at March 31, 2021	1,80,19,255	48,68,577
As at March 31, 2022	1,80,19,255	42,22,936

Note No. 3(ii) Intangible Assets

Particular	Amount
As at April 01, 2021	-
Additions during the Period	3,00,000
Deductions during the Period	-
As at March 31, 2022	3,00,000
Depreciation	
As at April 01, 2021	15,319
For the Period	73,492
On deductions	-
As at March 31, 2022	88,811
As at March 31, 2021	2,84,681
As at March 31, 2022	2,11,189

Note No. 4(i) Non Current Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Deposit accounts	1,74,992	1,68,834
Total	1,74,992	1,68,834

Note No. 4(ii) Current Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits with Banks	39,22,65,201	55,75,07,613
Investment in CPM	17,71,210	-
Total	39,40,36,411	55,75,07,613

Note No. 5 Loans and Advances

Particulars	As at March 31, 2022	As at March 31, 2021
Security and other Deposits	2,72,51,434	2,83,90,344
Total	2,72,51,434	2,83,90,344

Note No. 6 Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Current with hold amount	7,83,28,658	-
Total	7,83,28,658	-

Note No. 7 Inventories & Work-in-progress

Particulars	As at March 31, 2022	As at March 31, 2021
Work-in-progress (at cost)	42,93,98,753	22,11,89,003
Stores and Spares (at cost)	1,02,37,863	38,63,520
Total	43,96,36,616	22,50,52,523

Note No. 8 Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good		
Trade Receivables	67,77,70,183	38,83,74,042
Total	67,77,70,183	38,83,74,042

Note No. 9 Cash and Cash Equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	5,30,412	15,47,182
Balances with banks in		
- Current accounts	7,16,45,418	2,04,46,116
- Dividend accounts	2,67,252	-
Total	7,24,43,081	2,19,93,298

Note No. 10 Bank Balances other than above

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks (Restricted Use)		
- Margin money deposits	15,27,41,982	15,35,36,450
Total	15,27,41,982	15,35,36,450

Note No. 11 Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Retention Money Receivable	7,46,88,324	16,69,60,420
Other Receivables	13,790	-
Total	7,47,02,114	16,69,60,420

Note No. 12 Other Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance for Expenses	3,78,28,722	99,87,067
Prepaid expenses	43,63,222	29,11,496
Deposits paid under protest	64,31,956	10,75,018
Due from Staff	2,90,000	-
Total	4,89,13,900	1,39,73,581

Note No. 13 Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised:				
Equity Shares of INR 10 each.	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Issued, subscribed and paid up:				
Equity Shares of INR 10 each fully paid up	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000
Total	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000

i. Details of share holders holding more than 5% of total number of shares

Name of the Share Holder	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	% of holding	Number of Shares	% of holding
Sri G.S.Rao	1,42,51,250	74.11%	1,42,51,250	74.11%

Details of shares held by promoters

Name of the Share Holder	As at March 31, 2022		As at March 31, 2021		% Change during the year
	Number of Shares	% of holding	Number of Shares	% of holding	
Sri G.S.Rao	1,42,51,250	74.11%	1,42,51,250	74.11%	0%

ii. **Reconciliation of Number of Shares Outstanding:**

Name of the Share Holder	As at March 31, 2022		As at 31 March, 2021	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000
Balance at the end of the year	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000

iii. **Rights, Restrictions and Preference attached to equity Shares including declaration of dividend**

The company has only one class of equity shares having a face value of INR 10 per share with one vote per each equity share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution to all preferential creditors. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv. **Details of the Bonus shares issued for the last 5 years immediately preceding the current period**

During the financial year 2017-18 the Company has allotted 35,00,000 of INR 10 fully paid-up equity shares as bonus shares to the existing equity share holders of the Company in the ratio of 3.5:1.

During the financial year 2019-20 the Company has allotted 1,01,25,000 of INR 10 fully paid-up equity shares as bonus shares to the existing equity share holders of the Company in the ratio of 3.25:1

During the financial year 2020-21 the company has successfully completed its Initial Public Offer (IPO) of 51,00,000 equity shares of ₹10/- each at a price of ₹120/-per share (including a premium of 110 per share). Shares offered in IPO were allotted on October 12, 2020 and listed on October 15, 2020. With this allotment the paid up share capital has become ₹1972.50 Lakhs.

The Board of directors in its meeting held on May 28, 2022 recommended a dividend on the equity shares at the rate of 10% (₹1/-) per share of ₹10/- each for FY 2021-22 subject to shareholders approval at the ensuing annual general meeting (AGM).

The details of dividend paid by the company is as follows:

Dividend Paid

Particulars	As at March 31, 2022	As at March 31, 2021
Dividend paid during the year	5,91,75,000	-
Dividend per share (₹)	3	-

Note No. 14 Other Equity

Particulars	Reserves and surplus		Other comprehensive income	Total
	General Reserve	Retained Earnings		
Balance as at March 31, 2020	17,55,632	55,22,60,753	-7,08,584	55,33,07,801
Add: Profit upto 31.03.2021	-	28,98,96,596	-	28,98,96,596
Re-measurement gains/ (losses)	-	-	47,06,212	47,06,212
Less: Expenses on IPO	-	-7,21,24,346	-	-7,21,24,346
Add: Securities Premium	-	56,10,00,000	-	56,10,00,000

Balance as at March 31, 2021	17,55,632	1,33,10,33,004	39,97,628	1,33,67,86,264
Add: Profit upto 31.03.2022	-	45,46,56,977	-	45,46,56,977
Re-measurement gains/ (losses)	-	-	45,087	45,087
Less: Expenses on IPO	-	-86,71,609	-	-86,71,609
Add: Dividend paid	-	-5,91,75,000	-	-5,91,75,000
Balance as at March 31, 2022	17,55,632	1,71,78,43,372	40,42,715	1,72,36,41,719

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

Note No. 15 Long-term Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Long term maturities of finance lease obligations	-	-
Total	-	-

Note No.16 Long Term Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee retirement benefits		
: Gratuity	21,72,184	18,89,461
Total	21,72,184	18,89,461

Note No. 17 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities (Net)	(44,90,214)	(31,32,730)
Total	(4,90,214)	(31,32,730)

Note No. 18 Short-term Borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Loan repayable on demand from:		
From Banks	-	1,32,396
Total	-	1,32,396

Note No. 19 Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Dues to: Small and Micro Enterprises *		
: Other than Small and Micro Enterprises	8,92,58,255	1,79,91,288
Total	8,92,58,255	1,79,91,288

Note No. 20 Other Financial Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of finance lease obligations	-	15,22,571
Liabilities for expenses	39,98,416	28,93,323
Deposits payable	82,000	60,000
Mobilisation Advance payable	68,42,530	
Dividend Payable	2,67,252	
Total	1,11,90,198	44,75,894.00

Note No. 21 Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	4,97,84,286	4,69,67,444
Employee Benefits payable	2,49,75,955	2,18,11,862
Remuneration Payable	4,40,58,647	6,03,42,147
Total	11,88,18,888	12,91,21,453

Note No. 22 Short Term Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
: Gratuity	3,91,918	51,564
Total	3,91,918	51,564

Note No. 23 Current Tax Liability (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax Liability (Net)	1,00,41,938	(1,17,68,685)
Total	1,00,41,938	(1,17,68,685)

Note No. 24 Revenue from Operations

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Revenue from Operations	2,57,13,67,000	1,90,62,17,079
Total	2,57,13,67,000	1,90,62,17,079

Note No. 25 Other Income

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Recurring other income		
Not related to business activity		
Interest Income	3,27,45,075	2,07,34,290
Rent earned	4,43,100	4,80,000
Non-recurring other income		
Not related to business activity		
Insurance Claim	-	64,849
Related to business activity		
Other Operating Income		17,15,386
Discount Received	1,10,723	1,59,473
Gain On Foreign Exchange Conversion	7,29,146	-
Sales Tax Refund	15,72,887	-
Total	3,56,00,932	2,31,53,998

Note No. 26 Raw Material Consumed

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Opening Stock of raw material	38,63,520	32,68,854
Add: Purchases during the year	52,04,50,130	34,71,36,675
Less: Closing stock of raw material	(1,02,37,863)	(38,63,520)
Total	51,40,75,787	34,65,42,009

Note No. 27 Construction Expenses

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Sub Contract Expenses	93,85,49,860	58,93,01,217
Hire Charges	14,51,61,511	7,11,31,762
Power and Fuel	14,32,86,337	7,76,97,760
Rates and Taxes	2,17,06,952	1,67,95,809
Repairs to: Plant and Machinery	49,75,861	27,82,205
Repairs to: Other Assets	13,82,208	9,29,894
Other expenses	28,30,520	2,16,02,568
Total	1,25,78,93,250	78,02,41,214

Note No. 28 Changes in Inventories of Work-in-progress

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Opening work-in-progress	22,11,89,003	24,35,55,919
Closing work-in-progress	42,93,98,753	22,11,89,003
Total	-20,82,09,750	2,23,66,916

Note No. 29 Employee Benefits

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Salaries and Wages	26,66,86,023	23,97,04,613
Directors Remuneration	-	3,60,00,000
Contribution to provident fund and other funds	1,74,97,521	1,51,20,430
Gratuity	6,83,325	15,70,886
ESI	64,66,331	67,69,904
Leave Encashment	-	1,28,655
Staff welfare expenses	2,03,93,476	80,38,836
Total	31,17,26,676	30,73,33,324

Note No. 30 Finance Costs

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Hire Purchase Charges	32,885	11,87,685
Interest on Working Capital Loans	70,081	5,00,194
Interest Others	-	8,16,195
Other borrowing costs	52,28,996	42,02,289
Total	53,31,962	67,06,363

Note No. 31 Other Expenses

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Rent	3,90,41,684	2,89,99,960
Insurance	79,25,246	69,23,798
Rates and taxes, excluding, taxes on income	4,00,100	-
Advertisement and Business Promotion expenses	1,57,090	3,12,762
Legal and Professional Charges	39,26,574	1,87,180
Auditors Remuneration	9,00,000	5,45,000

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Donation	-	15,11,000
Corporate Social Responsibility Expenses	61,00,680	42,00,000
Communication Expenses	3,03,849	3,61,451
Travelling and Conveyance expenses	31,10,815	24,83,549
Bank Charges	1,82,719	12,34,036
General expenses	2,24,96,229	1,11,30,188
Total	8,45,44,986	5,78,88,924

32. Additional Information to the financial statements

32.1 Auditors Remuneration

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Audit fees	9,00,000	5,45,000
b) Other charges	-	-
Taxation matters	-	-
Certification fee	-	-
c) Reimbursement of out of pocket expenses	-	-
Total	9,00,000	5,45,000

32.2 Earnings per Share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Earnings		
Profit attributable to equity holders	45,46,56,977	28,98,96,596
Shares		
Number of shares at the beginning of the year	1,97,25,000	1,97,25,000
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-
Total number of equity shares outstanding at the end of the year	1,97,25,000	1,97,25,000
Weighted average number of equity shares outstanding during the year – Basic	1,97,25,000	1,97,25,000
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EP	-	-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Weighted average number of equity shares outstanding during the year – Diluted	1,97,25,000	1,97,25,000
Earnings per share of par value ₹ 2/- – Basic (₹)	23.05	17.05
Earnings per share of par value ₹ 2/- – Diluted (₹)	23.05	17.05

32.3 Related Parties

Related party transactions have been disclosed in accordance with Ind AS 24 'Related Party Disclosures'

(a) Names of the related parties and description of the relationship

Name of related parties	Nature of relationship
Srinivasa Rao Gaddipati	Managing Director
Sri Lakshmi Gaddipati	Director
Gaddipati Kutumba Rao	Director
Likhitha Gaddipati	Chief Financial Officer
Venkata Sesha Talpa Sai Munupalle	Director
Sivasankara Parameswara Kurup Pillai	Director
Venkatram Arigapudi	Director
Jayashree Voruganty	Director
Sudhanshu Shekhar	Chief Executive Officer
Triveni Banda	Company Secretary

The following is a summary of significant related party transactions:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Key managerial personnel		
Remuneration & Commission		
Srinivasa Rao Gaddipati	-	36,000,000
Sri Lakshmi Gaddipati	-	-
Gaddipati Kutumba Rao	-	-
Likhitha Gaddipati	9,00,000	-
Narasimha Sekhar Narahari (Ex CFO)		1,33,000
Sambasiva Rao Ketineni (CFO)		1,10,000
Santhosh Kumar Gunemoni	2,52,000	4,44,000
Sudhanshu Shekhar	18,60,000	16,12,000
Triveni Banda	1,33,000	-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rent		
G Kutumba Rao (including hire charges)	-	1,50,835
G. Srinivasa Rao	37,80,000	18,58,500
Sitting Fee		
Venkata Sessa Talpa Sai Munupalle	1,70,000	1,80,000
b) Non-whole time Directors		
Sitting Fee		
Sivasankara Parameswara Kurup Pillai	2,30,000	2,40,000
Venkatram Arigapudi	1,10,000	40,000
Jayashree Voruganty	90,000	-
c) Relatives of Key Managerial Personnel		
Remuneration		
Dheeraj Ram Chandra	9,00,000	-

Transactions with Subsidiaries:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
CPM-Likhitha Consortium (Capital)	17,71,210	-
CPM-Likhitha Consortium (Advance)	1,66,93,000	-
TOTAL	1,84,64,210	-

32.4 Employee benefits:

Gratuity benefits

In accordance with applicable laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Company makes contributions to the Life Insurance Corporation of India (LIC).

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March 2022 and 2021 consist of the following:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	5,51,336	12,61,332
Interest on net defined benefit liability/(asset)	1,31,989	3,09,554
Gratuity cost recognized in statement of profit and loss	6,83,325	15,70,886

Details of the employee benefits obligations and plan assets are provided below:

Particulars	As of March 31, 2022	As of March 31, 2021
Present value of funded obligations	25,64,102	19,41,029
Fair value of plan assets	-	-
Net defined benefit liability / (asset) recognized	25,64,102	19,41,029

Details of changes in the present value of defined benefit obligations are as follows:

Particulars	As of March 31, 2022	As of March 31, 2021
Defined benefit obligations at the beginning of the year	19,41,029	46,13,325
Current service cost	5,51,336	12,61,332
Interest on defined obligations	1,31,989	3,09,554
Re-measurements due to:		
Actuarial loss / (gain) due to change in financial assumptions	(1,18,985)	(21,278)
Actuarial loss / (gain) due to demographic assumptions		
Actuarial loss / (gain) due to experience changes	58,733	(42,21,904)
Benefits paid		
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)		
Defined benefit obligations at the end of the year	25,64,102	19,41,029

Details of changes in the fair value of plan assets are as follows:

Particulars	As of March 31, 2022	As of March 31, 2021
Fair value of plan assets at the beginning of the year	-	-
Employer contributions		-
Actuarial loss/(gain) on plan assets	-	-
Re-measurements due to:	-	-
Return on plan assets excluding interest on plan assets	-	-
Benefits paid	-	-
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	-	-
Plan assets at the end of the year	-	-

Summary of Actuarial Assumptions

The actuarial assumptions used in accounting for the Gratuity Plan are as follows: The assumptions used to determine benefit obligations:

Particulars	As of March 31, 2022	As of March 31, 2021
Discount rate	7.18%	6.80%
Rate of compensation increase	4.00%	4.00%

Leave Encashment

The Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the unutilized compensated absences and utilize them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the Company towards this obligation was ₹Nil and ₹Nil as at March 31, 2022 and March 31, 2021, respectively

Contribution to Provident Fund

The employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company to the provident fund plan has contributed ₹1,59,35,037 and ₹1,50,37,172 for the years ended March 31, 2022 and 2021, respectively.

32.5 Income Taxes:

Income tax expense / (benefit) recognized in the statement of profit and loss:

Income tax expense / (benefit) recognized in the statement of profit and loss consists of the following:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current taxes expense	15,14,55,288	94,960,719
Domestic	15,14,55,288	94,960,719
Deferred taxes expense / (benefit)	(13,72,650)	(1,122,727)
Domestic	(13,72,650)	(1,122,727)
Total income tax expense / (benefit) recognized in the statement of profit and loss	15,00,82,638	93,837,992

a) Reconciliation of Effective tax rate

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before income taxes	60,47,39,615	38,37,34,589
Enacted tax rate in India	25.17%	25.17%
Computed expected tax benefit / (expense)	15,22,12,961	9,65,85,996

Effect of:		
Expenses not deductible for Tax purposes	1,09,86,556	84,73,420
Expenses deductible for Tax purposes	1,17,44,230	1,00,98,697
Taxable at Special Rate	-	-

Exempted income form SEZ	-	-
Reversal of excess provision created in previous years	-	-
Income tax benefit / (expense)	15,14,55,287	94,960,719
Effective tax rate	25.04%	24.75%

The Company's average effective tax rate for the years ended March 31, 2022 and 2021 were 25.04% and 24.75% respectively.

b) Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred tax (assets) / liabilities:		
Property, plant and equipment	(34,13,613)	(2,245,668)
Others	(10,76,601)	(887,062)
Net deferred tax (assets) / liabilities	(44,90,214)	(3,132,730)

32.6 Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

a. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has the following categories of financial assets that are subject to credit risk evaluation:

Trade Receivables-The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at March 31, 2022. Of the total trade and other receivables, impairment loss is provided for ₹Nil and Nil as at March 31, 2022 and at March 31, 2021.

The Company's credit period for customers generally ranges from 60-90 days. The aging of trade receivables is given below:

Particulars	As of March 31, 2022	As of March 31, 2021
Period (in days)		
1 – 90	63,60,84,420	37,23,98,574
90 – 180	2,69,88,539	1,54,64,900
More than 180	1,46,97,225	5,10,569
Total	67,77,70,183	38,83,74,042

Other than trade receivables, the Company has no significant class of financial assets that are past due or impaired as at March 31, 2022.

On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate.

b. Liquidity Risks:

The Company monitors its risk of shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, trade and other payables. Liquidity risk is that the Company might be unable to meet its obligations. The Company's approach to managing liability is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. The company believes that the available working capital is sufficient to meet its current requirements

As of March 31, 2022, the Company had working capital (current assets less current liabilities) of ₹1,63,05,43,089 including cash and cash equivalents of ₹7,24,43,081. As of March 31, 2021, the Company had working capital (current assets less current liabilities) of ₹1,38,73,94,018 including cash and cash equivalents of ₹2,19,93,298.

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2022:

(₹ In Lakhs)

Particulars	2023	2024	2025	2026	2027	Total
Trade payables	892.58	-	-	-	-	892.58
Long term borrowings	-	-	-	-	-	-
Bank overdraft, short-term loans and borrowings*	-	-	-	-	-	-
Other liabilities*	1,404.42	-	-	-	-	1,404.42

*Note: The Bank Overdraft and other liabilities are payable on demand.

c. Market Risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk are deposits with Banks.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other postretirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analysis:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities i.e. Cost of material which is denominated in a foreign currency though the same is payable in INR.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has no outstanding bank borrowings. The company believes that the working capital available is sufficient to meet its current requirements. The company's exposure to interest rate risk arises primarily from deposits with Banks.

Financial Instrument:

The carrying value and fair value of financial instruments as at March 31, 2022 and March 31, 2021 were as follows:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Total carrying value	Total fair value/ amortised cost	Total carrying value	Total fair value/ amortised cost
Financial assets				
Cash and cash equivalents	7,24,43,081	7,24,43,081	2,19,93,298	2,19,93,298
Other bank balances	15,27,41,982	15,27,41,982	15,35,36,450	15,35,36,450
Investments	39,42,11,403	39,42,11,403	55,76,76,447	55,76,76,447
Trade receivables	67,77,70,183	67,77,70,183	38,83,74,042	38,83,74,042
Loans	2,72,51,434	2,72,51,434	2,83,90,344	2,83,90,344
Other financial assets	15,30,30,772	15,30,30,772	16,69,60,420	16,69,60,420
Total	1,47,74,48,855	1,47,74,48,855	1,31,69,31,001	1,31,69,31,001
Financials liabilities				
Trade payables	8,92,58,255	8,92,58,255	1,79,91,288	1,79,91,288
Short-term borrowings	-	-	1,32,396	1,32,396
Other financial liabilities	1,11,90,198	1,11,90,198	44,75,894	44,75,894
Total	10,04,48,453	10,04,48,453	2,25,99,578	2,25,99,578

32.7 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief, COVID-19 relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
i) Amount required to be spent by the company during the year	61,00,680	42,00,000
ii) Amount brought forward from the previous year	-	-
iii) Amount Spent	61,00,680	42,00,000
iv) Amount to be spent	-	-

32.8 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows required.

The company's Debt Equity ratio is as follows:

(In Lakhs)

Particulars	2022	2021
Total Debt	2,318.73	1,536.62
Total Equity	19,208.92	15,340.36
Debt Equity Ratio	0.12:1	0.10:1

32.9 Contingent Liabilities and Commitments:

The following are the details of contingent liabilities and commitments:

Particulars	2022	2021
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts		
Income Tax	5,27,54,439.00	5,30,70,399.00
Service Tax		
Sales Tax	21,50,037.00	21,50,037.00
GST	27,53,785.00	-
b) Guarantees		
Bank Guarantee		
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		

32.10 Ratio analysis

Ratio	Numerator	Denominator	Ratios FY 2021-22	Ratios FY 2020-21
Current ratio	Current Assets	Current Liabilities	8.10	10.14
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.12	0.10
Debt Service Coverage ratio	Earnings for debt service	Debt service	-	-
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.26	0.26
Inventory Turnover ratio	Cost of goods sold	Average Inventory	4.71	4.87
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	4.89	6.99
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	33.16	14.33
Net Capital Turnover Ratio	Revenue	Working capital	1.60	1.39
Net Profit ratio	Net Profit	Revenue	0.17	0.15
Return on Capital Employed	Earnings before interest and taxes	Average Capital Employed	0.35	0.35
Return on Investment	Income generated from investments	Time weighted average investments	0.08	0.04

32.11 Other statutory information

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

- a. The Company does not have any transactions with struck off companies.
- b. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- c. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- d. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- e. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i. 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
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- f. The Company has not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- g. The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- h. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- i. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.

As per our report of even date

For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN: 008801S/S200060

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 22226870ALFQE4557

Place : Hyderabad
Date : 28/05/2022

For and on behalf of Board of Directors

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Likhitha Gaddipati
Chief Financial Officer

Triveni Banda
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

CONSOLIDATED FINANCIALS

INDEPENDENT AUDITOR'S REPORT

To
The Members of
M/s. LIKHITHA INFRASTRUCTURE LIMITED

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the accompanying Consolidated financial statements of **LIKHITHA INFRASTRUCTURE LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2022, and the statement of profit and loss (including Other Comprehensive Income), the cash flow Statement and the statement of changes in equity and for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act, and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current 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 a separate opinion on these matters.

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

Appropriateness of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers”	
Key audit matter description	<p>Appropriateness of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 “Revenue from Contracts with Customers”</p> <p>The application of the new revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. And also the required disclosure as specified by the said standard.</p>
Audit Procedures	<p>We have assessed the processes adopted by the company in identifying performance obligations laid down by the company to identify the impact of adoption of the revenue accounting standard and also the revenue recognition criteria said by the company.</p> <p>The procedures performed included the following:</p> <ul style="list-style-type: none"> • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard; • Review terms and conditions of continuing and new contracts on sample basis and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. • We have carried out procedures involving inspection and examination of evidence which include the underlying supporting documents, internal and external supporting records in respect of transactions with the customers in relation to the continuing and new contractor and • In respect of significant continuing and new contracts, we performed the following procedures: <ol style="list-style-type: none"> i. Read and analysed contracts to understand terms and conditions to ascertain the distinct performance obligations in such contracts; ii. Compared such performance obligations with that identified and recorded by the Company; iii. Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration; iv. Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

OTHER INFORMATION

The Company’s Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, for example, Management Discussion and Analysis, Board’s Report including Annexures to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the Consolidated financial statements and our auditor’s report thereon. The other information as stated above is expected to be made available to us after the date of this auditor’s report.

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

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

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a

material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **"Annexure-B"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, The Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of the section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS financial statements.
 - ii. The Company has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For NSVR & ASSOCIATES LLP

Chartered Accountants,
Firm Reg No: 008801S/S200060

Suresh Gannamani

Partner
Membership No: 226870
UDIN: 22226870ALFQSK3261

Place: Hyderabad
Date:28/05/2022

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of LIKHITHA INFRASTRUCTURE LIMITED ("the Company") as of 31st March, 2022 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For NSVR & ASSOCIATES LLP

Chartered Accountants,
Firm Reg No: 008801S/S200060

Suresh Gannamani

Partner
Membership No: 226870
UDIN: 22226870ALFQSK3261

Place: Hyderabad

Date: 28/05/2022

Annexure – B to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditors’ Report to the members of the **LIKHITHA INFRASTRUCTURE LIMITED** on the Consolidated Financial Statements for the period ended March 31, 2022, we report that:

1.1 In respect of its Fixed Assets:

- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in note 3 on property, plant and equipment to the Ind AS financial statements, are held in the name of the Company.

2.1 In respect of its Inventories:

- a. As explained to us, inventories have been physically verified by the management at regular intervals during the year.
- b. In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.

The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

- 3.1 The Company has not granted any loans, secured or unsecured during the period. Thus, paragraphs 3 (iii) of the order is not applicable to the company.
- 4.1 In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments or provided securities to companies and other parties listed under section 185 and 186 of the Act.
- 5.1 The Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and rules framed there under.
- 6.1 The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- 7.1 According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, Goods and Services Tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as applicable to the appropriate authorities have generally been regularly deposited during the year by the Company with the appropriate authorities.
- 7.2 According to the information and explanations given to us, there are no material dues of income tax or sales tax or service tax or Goods and Services Tax or duty of customs or duty of excise or value added tax which have not been deposited by the company on account of dispute.

The particulars of dues of income tax, sales tax, service tax and entry tax as at March 31, 2022 which have not been deposited on account of a dispute are as follows:

Particulars	As at 31 March, 2022	As at 31 March, 2021	Forum Where Dispute is Pending
Telangana Value Added Tax Act, 2005			
Demand under Rule 17 (1) (e) of the APVAT Rules, 2005 Financial Year 2008-2009 [₹307,190/- was paid under protest]	614,381	614,381	Sales Tax Tribunal
Demand under Rule 17 (1) (e) of the APVAT Rules, 2005 Financial Year 2009-2010 [₹767,828/- was paid under protest]	1,535,656	1,535,656	Sales Tax Tribunal
Income tax Act, 1961			
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2017-18	2,21,02,029	2,21,02,029	Income Tax Tribunal
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2018-19	3,06,52,410	-	Income Tax Tribunal
Order u/s. 143 (3) Income tax Act, 1961 Assessment Year 2019-20	3,15,960	-	Income Tax Tribunal

* net of amounts paid under protest of includes interest and penalty levied on the disputed demand which will be settled in case such demand is required to be paid by the Company.

- 8.1 According to the information, the company doesn't have any undisclosed or Unrecorded income during the year.
- 9.1 According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks.
- 10.1 In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been used by the Company during the year for the purpose for which they were raised.
- 11.1 To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 12.1 In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- 13.1 According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Consolidated Ind AS financial statements as required by the applicable accounting standards.
- 14.1 In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

- 15.1 According to the information and explanations given to us and based on our examination of records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
- 16.1 According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- 17.1 The company has not incurred the cash losses in the current financial year Hence, this clause is not applicable for the company.
- 18.1 During the year, there was no resignation of the statutory auditors and accordingly this clause is not applicable
- 19.1 According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- 20.1 There is no amount to be spent for other than ongoing projects towards corporate social responsibility (CSR). Hence, reporting under clause 3(xx)(a) of the order is not applicable for the year.
- The Company does not have any ongoing projects relating to CSR. Hence, reporting under clause 3(xx)(b) of the order is not applicable.
- 21.1 There has been no qualified or adverse remarks in the audit reports issued by the auditors in regard to the consolidated financial statements.

For NSVR & ASSOCIATES LLP

Chartered Accountants,
Firm Reg No: 0088015/S200060

(Suresh Gannamani)

Partner
Membership No: 226870
UDIN: 22226870ALFQSK3261

Place: Hyderabad

Date: 28/05/2022

Consolidated Balance Sheet as at March 31, 2022

(All amounts in INR, unless otherwise stated)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment	3	15,98,22,134	9,36,67,287
(b) Investment Property	3(i)	2,22,42,191	2,28,87,832
(c) Intangible Assets	3(ii)	2,11,189	2,84,681
(d) Financial Assets			
(i) Investments	4(i)	1,74,992	1,68,834
(ii) Loans and Advances	5	2,72,51,434	2,83,90,344
(iii) Other Financial Assets	6	7,83,28,658	-
(e) Deferred Tax Assets (Net)	17	44,90,214	31,32,730
(f) Other Non-current Assets			-
Total Non-current Assets		29,25,20,812	14,85,31,708
Current Assets			
(a) Inventories & Work in progress	7	46,60,88,558	22,50,52,523
(b) Financial Assets			
(i) Investments	4(ii)	39,22,65,201	55,75,07,613
(ii) Trade Receivables	8	67,63,22,278	38,83,74,042
(iii) Cash and Cash Equivalents	9	7,62,78,950	2,19,93,298
(iv) Bank Balances other than above (iii)	10	15,27,41,982	15,35,36,450
(v) Other Financial Assets	11	7,47,02,114	16,69,60,420
(c) Current Tax Assets (Net)	22	-	1,17,68,685
(d) Other Current Assets	12	3,27,45,320	1,39,73,581
Total Current Assets		1,87,11,44,402	1,53,91,66,613
Total Assets		2,16,36,65,215	1,68,76,98,321
Equity and Liabilities			
Equity			
(a) Equity Share Capital	13	19,72,50,000	19,72,50,000
(b) Other Equity	14	1,72,88,82,118	1,33,67,86,264
Total equity attributable to equity share holders of the company		1,92,61,32,118	1,53,40,36,264
(c) Non Contrloing Interest		13,10,100	-
Total Equity		1,92,74,42,218	1,53,40,36,264
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Long-term borrowings	15	-	-
(b) Provisions	16	21,72,184	18,89,461
(c) Deferred Tax Liabilities (Net)			-
Total Non-current Liabilities		21,72,184	18,89,461
Current liabilities			
(a) Financial Liabilities			
(i) Short-term borrowings	18	-	1,32,396
(ii) Trade payables - total dues of:			
:small and micro enterprises			
: others than small and micro enterprises	19	9,05,59,872	1,79,91,288
(iii) Other financial liabilities	20	1,11,90,198	44,75,894
(b) Other current liabilities	21	12,04,68,162	12,91,21,453
(c) Provisions	22	3,91,918	51,564
(d) Current Tax Liability (Net)	23	1,14,40,663	-
Total Current Liabilities		23,40,50,813	15,17,72,595
Total Liabilities		2,16,36,65,215	1,68,76,98,321
Corporate Information	1		
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the Ind AS financial statements
 This is the Balance Sheet referred to in our report of even date

As per our report of even date
For NSVR & ASSOCIATES LLP
Chartered Accountants
 FRN: 008801S/S200060

Suresh Gannamani
 Partner
 Membership No: 226870
 UDIN: 22226870ALFQSK3261

Place : Hyderabad
 Date : 28/05/2022

For and on behalf of Board of Directors

G Srinivasa Rao
 Managing Director
 DIN: 01710775

G Sri Lakshmi
 Director
 DIN: 02250598

Likhitha Gaddipati
 Chief Financial Officer

Triveni Banda
 Company Secretary

Sudhanshu Shekar
 Chief Executive Officer

Consolidated Statement of Profit and loss for the Year ended March 31, 2022

(All amounts in INR, unless otherwise stated)

Particulars	Note No	For the period ended March 31, 2022	For the period ended March 31, 2021
Revenue			
Revenue from operations	24	2,57,21,17,147	1,90,62,17,079
Other income	25	3,56,00,932	2,31,53,998
Total Revenue		2,60,77,18,078	1,92,93,71,077
Expenses			
Raw Material Consumed	26	51,70,62,682	34,65,42,009
Construction expenses	27	1,25,79,27,250	78,02,41,214
Changes in inventories of work-in-progress	28	-23,46,61,692	2,23,66,916
Employee benefits	29	32,55,17,540	30,73,33,324
Finance cost	30	53,31,962	67,06,363
Depreciation	3	3,68,65,405	2,45,57,739
Other expenses	31	8,48,66,299	5,78,88,924
Total expenses		1,99,29,09,446	1,54,56,36,488
Profit before tax		61,48,08,632	38,37,34,589
Tax expense:			
Current tax		15,49,73,805	9,49,60,719
Deferred tax		-13,72,650	(11,22,727)
Tax expense		15,36,01,155	9,38,37,992
Profit for the year		46,12,07,477	28,98,96,597
Other comprehensive income			
a) (i) Items that will not be reclassified to profit or loss		60,252	62,89,205
(ii) Income tax relating to items that will not be reclassified to profit or loss		-15,165	(15,82,993)
b) (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Other comprehensive income for the year, net of tax		45,087	(47,06,212)
Total comprehensive income for the year, net of tax		46,12,52,564	29,46,02,809
Earnings per share:			
Basic earnings per share of ₹10/-each		23.38	17.05
Diluted earnings per share of ₹10/- each		23.38	17.05
Corporate Information	1		
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the Ind AS financial statements
This is the Balance Sheet referred to in our report of even date

As per our report of even date
For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN: 008801S/S200060

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 22226870ALFQSK3261

Place : Hyderabad
Date : 28/05/2022

For and on behalf of Board of Directors

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Likhitha Gaddipati
Chief Financial Officer

Triveni Banda
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

Consolidated Cash Flow statement for the year ended March 31, 2022

(All amounts in INR, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash Flow from Operating Activities:		
Profit before tax for the year	61,48,08,632	38,37,34,589
Adjustments for:		
Depreciation	3,68,65,405	2,45,57,739
Finance Charges	53,31,962	25,04,074
Dividend received	-	-
Interest Earned	-3,27,45,075	-2,07,34,290
Operating Profit before working capital changes	62,42,60,923	39,00,62,112
Adjustments for:		
(Increase) / Decrease in Inventory	-24,10,36,035	2,17,72,250
(Increase) / Decrease in Trade receivables	-28,79,48,236	-22,48,86,528
(Increase) / Decrease in Long Term Loans and advances	11,38,910	-14,93,300
(Increase) / Decrease in Financial assets	1,39,29,648	7,08,82,361
(Increase) / Decrease in Other Current assets	-1,73,12,762	-79,57,335
(Decrease) / Increase in Trade payables	7,25,68,584	-12,13,54,335
(Decrease) / Increase in Provision for employee benefits	6,23,018	-45,89,664
(Decrease) / Increase in Current Financial liabilities	67,14,304	-14,88,752
(Decrease) / Increase in Other liabilities	-86,53,291	2,13,75,747
Cash Generated from Operations	16,42,85,064	14,23,22,555
Taxes Paid (Net)	-13,31,63,181	-13,42,18,391
Net Cash (used) / from Operating Activities (A)	3,11,21,883	81,04,164
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets including Capital Advances and Capital Creditors	-10,23,01,061	-2,47,54,083
Investments	16,52,36,254	-49,99,01,199
Interest Received	3,27,45,075	2,07,34,290
Net Cash from / (used) Investing Activities (B)	9,56,80,268	-50,39,20,992
C. Cash Flow from Financing Activities:		
Interest Paid	-53,31,962	25,04,074
Receipt / (Repayment) of short term borrowings	-	-75,61,688
Dividend Paid	-5,91,75,000	-
Proceeds from IPO net of Expenses	-	53,73,57,323
IPO Expenses	-86,71,609	-
Net Cash from / (used) Financing Activities (C)	(7,31,78,571)	53,22,99,709
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	5,36,23,580	3,64,82,881
Cash and Cash equivalents at beginning of the year	17,53,97,351	13,89,14,471
Cash and Cash equivalents at end of the year	22,90,20,932	17,53,97,351
General Information		
Summary of significant accounting policies		
The accompanying notes form an integral part of the financial statements		

1) Cash and Cash equivalents includes:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash on hand	5,34,322	15,47,182
Cash Equivalents		
- Current accounts	7,54,77,377	2,04,46,116
Margin money deposits	15,27,41,982	15,35,36,450
Short Term Borrowings From Banks	-	(1,32,396)
Less: Dividend amount in banks	2,67,252	
Total	22,90,20,932	17,53,97,351

The accompanying notes form an integral part of the financial statements

As per our report of even date
For NSVR & ASSOCIATES LLP
Chartered Accountants
FRN: 008801S/S200060

Suresh Gannamani
Partner
Membership No: 226870
UDIN: 22226870ALFQSK3261

Place : Hyderabad
Date : 28/05/2022

For and on behalf of Board of Directors

G Srinivasa Rao
Managing Director
DIN: 01710775

G Sri Lakshmi
Director
DIN: 02250598

Likhitha Gaddipati
Chief Financial Officer

Triveni Banda
Company Secretary

Sudhanshu Shekar
Chief Executive Officer

Consolidated Statement of Changes in Equity

Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised:				
Equity Shares of INR 10 each.	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Issued, subscribed and paid up:				
Equity Shares of INR 10 each fully paid up	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000
Total	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000

Other Equity

Particulars	Reserves and surplus		Other comprehensive income	Total	Non Controlling Interest
	General Reserve	Retained Earnings			
Balance as at March 31, 2020	17,55,632	55,22,60,753	-7,08,584	55,33,07,801	-
Add: Profit upto 31.03.2021	-	28,98,96,596	-	28,98,96,596	-
Re-measurement gains/(losses)	-	-	47,06,212	47,06,212	-
Less: Expenses on IPO	-	(7,21,24,346)	-	-7,21,24,346	-
Add: Securities Premium	-	56,10,00,000	-	56,10,00,000	-
Balance as at March 31, 2021	17,55,632	1,33,10,33,004	39,97,628	1,33,67,86,264	-
Add: Profit upto 31.03.2022	-	46,12,07,477	-	46,12,07,477	-
Re-measurement gains/(losses)	-	-	45,087	45,087	-
Less: Expenses on IPO	-	-86,71,609	-	-86,71,609	-
Add: Dividend Paid	-	-5,91,75,000	-	-5,91,75,000	-
Add: NCI upto 31.03.2022	-	-	-	-	13,10,100
Balance as at March 31, 2022	17,55,632	1,72,43,93,871	40,42,715	1,73,01,92,218	13,10,100

As per our report of even date

For NSVR & ASSOCIATES LLP

Chartered Accountants

FRN: 008801S/S200060

Suresh Gannamani

Partner

Membership No: 226870

UDIN: 22226870ALFQSK3261

Place : Hyderabad

Date : 28/05/2022

For and on behalf of Board of Directors

G Srinivasa Rao

Managing Director

DIN: 01710775

G Sri Lakshmi

Director

DIN: 02250598

Likhitha Gaddipati

Chief Financial Officer

Triveni Banda

Company Secretary

Sudhanshu Shekar

Chief Executive Officer

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DESCRIPTION OF THE COMPANY AND SIGNIFICANT ACCOUNTING POLICIES

1. General Information

LIL (“the Holding Company”) and its subsidiaries (together “the Group”) are engaged in the business of laying gas supply pipe lines and irrigation canals, building bridges over the canals and related maintenance works. The Company is a public limited Company incorporated and domiciled in India and has its registered office in the state of Telangana,. The Company has its primary listings on the Bombay Stock Exchange and National Stock Exchange in India. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2. Significant Accounting Policies

2.1 Basis of Preparation of Consolidated Financial Statements

The financial statements of LIL have been prepared and presented in accordance with the Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules 2015, as amended and as per other relevant provisions of the Act. The presentation of financial statements is based upon Ind AS Schedule III of Companies Act, 2013.

2.2 Basis of Measurement

These Consolidated financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the balance sheet:

- a. Certain financial assets are measured either at fair value or at amortized cost depending on the classification;
- b. Employee defined benefit assets / (liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less Actuarial gains and the present value of the defined benefit obligation; and
- c. All assets and liabilities are classified into current and non-current based on the operating cycle of less than twelve months or based on the criteria of realization / settlement within twelve months period from the balance sheet date.

In addition, for financial reporting purposes, fair value measurements are categorized into 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 within 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 following are the details of subsidiaries considered for the purpose of Consolidation:

Name of Enterprise	Country of Incorporation	Nature of Business	Shareholding/ Controlling interest
CPM Likhitha Consortium	India	Laying and construction of steel gas pipeline and terminals	80%

2.3 Use of judgment, estimates and assumptions.

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, the areas involving critical estimates or Judgment are:

a. Depreciation and amortization

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets.

b. Employee Benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) includes the discount rate, wage escalation and employee attrition. The discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

c. Provision and contingencies

Provisions and contingencies are based on the Management's best estimate of the liabilities based on the facts known at the balance sheet date.

d. Fair valuation

Fair value is the market based measurement of observable market transaction or available market information. All financial instruments are measured at fair value as at the balance sheet date, as provided in Ind AS 109 and 113. Being a critical estimate, judgment is exercised to determine the carrying values. The fair value of financial instruments that are unlisted and not traded in an active market is determined at fair values assessed based on recent transactions entered into with third parties, based on valuation done by external appraisers etc.

e. Deferred taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.4 Scope of Consolidation

The consolidated financial statements have been prepared on the following basis:

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Fully consolidated means recognition of all assets and liabilities and items in the income statement in full. Thereafter the portion of net profit and equity is allocated between the owners of the Holding Company and non-controlling interest. Changes in ownership that do not result in a change of control are accounted for as equity transactions and therefore do not have any impact on goodwill. The difference between consideration and the non-controlling share of net assets acquired is recognised within equity.

The financial statements of group companies are consolidated on line by line basis and Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated if there is a profit on ultimate sale of goods. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

2.5 Functional and Presentation Currency

These financial statements are presented in Indian rupees, which is also the functional currency of the Company. All financial information presented in Indian rupees has been rounded to the nearest lakhs.

2.6 Current and non current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1, presentation of financial statements.

Assets: An asset is classified as current when it satisfies any of the following criteria:

- a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is expected to be realized within twelve months after the reporting date; or
- d. It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria:

- a. It is expected to be settled in the Company's normal operating cycle;
- b. It is held primarily for the purpose of being traded;
- c. It is due to be settled within twelve months after the reporting date; or
- d. The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counter party, result in its settlement by the issue of equity instruments do not affect its classification

Current assets / liabilities include the current portion of noncurrent assets/ liabilities respectively. All other assets / liabilities are classified as noncurrent. Deferred tax assets and liabilities are always disclosed as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.7 Foreign Currency Transaction

Transactions in foreign currencies are translated to the respective functional currencies of entities within the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized in the statement of profit and loss in the period in which they arise.

2.8 Property Plant & Equipment

Recognition and measurement

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset i.e., freight, duties and taxes applicable and other expenses related to acquisition and installation. The cost of self-constructed assets includes the cost of materials and other costs directly attributable to bringing the asset to a working condition for its intended use. Borrowing costs that are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Directly attributable costs include:

- a. Cost of Employee Benefits arising directly from Construction or acquisition of PPE.
- b. Cost of Site Preparation.

- c. Initial Delivery & Handling costs.
- d. Professional Fees and
- e. Costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling any item produced while bringing the asset to that location and condition (such as samples produced when testing equipment).

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses upon disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net within the statement of profit and loss.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part will be derecognized. The costs of repairs and maintenance are recognized in the statement of profit and loss as incurred.

Items of property, plant and equipment acquired through exchange of non-monetary assets are measured at fair value, unless the exchange transaction lacks commercial substance or the fair value of either the asset received or asset given up is not reliably measurable, in which case the asset exchanged is recorded at the carrying amount of the asset given up.

Depreciation

Depreciation is recognized in the statement of profit and loss on a straight line basis over the estimated useful lives of property, plant and equipment based on the Companies Act, 2013 ("Schedule II"), which prescribes the useful lives for various classes of tangible assets. For assets acquired or disposed off during the year, depreciation is provided on pro rata basis. Land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate.

The estimated useful lives are as follows:

Type of Asset	Estimated useful life in years
Plant & Machinery	25
Plant & Machinery (IML)	25
Plant & Machinery (Vinegar)	25
Electrical Installations	25
Furniture & Fixtures	10
Office Equipment	5
Computers	6
Vehicles	8

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is disclosed as capital advances under other noncurrent assets. The cost of property, plant and equipment not ready to use before such date are disclosed under capital work-in-progress. Assets not ready for use are not depreciated.

The Company assesses at each balance sheet date, whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Recoverable amount is higher of the value in use or fair value less cost to sell.

2.9 Intangible assets

Acquired computer software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software. The Intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Amortization

Amortization is recognized in the statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets or on any other basis that reflects the pattern in which the asset's future economic benefit are expected to be consumed by the entity. Intangible assets that are not available for use are amortized from the date they are available for use. The estimated useful lives are as follows:

Type of Asset	Estimated useful life
Intangible Assets	
Computer Software	3

The amortization period and the amortization method for intangible assets with a finite useful life are reviewed at each reporting date.

2.10 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

Investment in Preference Shares and Unquoted trade Investments

Investment in Preference Shares and Unquoted trade Investments are measured at amortized cost using Effective Rate of Return (EIR).

Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication

of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when:

- a. The rights to receive cash flows from the asset have expired, or
- b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of trade receivables

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Expected credit loss model takes into consideration the present value of all the cash shortfalls over the expected life of a financial instrument. In simple terms, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate. The Standard presumes that entities would suffer credit loss even if the entity expects to be paid in full but later than when contractually due. In other words, it simply focuses on DELAYS in collection of receivables.

For the purpose of identifying the days of delay, the Company took into consideration the weighted average number of delays taking into consideration the date of billing, the credit period and the collection days.

b. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Fair value measurement

Fair value of financial assets and liabilities is normally determined by references to the transaction price or market price. If the fair value is not reliably determinable, the Company determines the fair value using valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.11 Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

2.12 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a. Financial assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Debt instrument at FVTPL

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss. The Company has not designated any debt instrument as at FVTPL.

Investment in equity instruments

All equity investments in scope of Ind AS 109 are measured at Fair Value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity

Investments in subsidiaries and Associates

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's balance sheet) when: a. The rights to receive cash flows from the asset have expired, or b. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

- (a) the Company has transferred substantially all the risks and rewards of the asset, or
- (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of trade receivables

In accordance with Ind AS 109, the company applies the expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or any contractual right to receive cash or another financial asset. As Company trade receivables are realised within normal credit period adopted by the company, hence the company trade receivables are not impaired.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value i.e., loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss

2.13 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, an impairment test is performed each year at March 31.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the cash-generating unit. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflow of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized in the statement of profit and loss if the estimated recoverable amount of an asset or its cash-generating unit is lower than its carrying amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.14 Cash & Cash Equivalents

Cash and bank balances comprise of cash balance in hand, in current accounts with banks, demand deposit, short-term deposits, Margin Money deposits and unclaimed dividend accounts. For this purpose, "short-term" means investments having maturity of three months or less from the date of investment. Bank overdrafts that are repayable on demand and form an integral part of our cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows. The Margin money deposits, balance in dividend accounts which are not due and unclaimed dividend balances shall be disclosed as restricted cash balances.

2.15 Employee Benefits

a. Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service

b. Defined Contribution Plan

The company's contribution to superannuation fund, considered as defined contribution plans are charged as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made and when services are rendered by the employees.

c. Defined Benefit Plans

For defined retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

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

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet 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 reductions in future contributions to the plans

d. Termination benefits

Termination benefits are recognized as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

e. Other long-term employee benefits

Other Long term employee benefit comprise of Leave encashment which is provided for based on the actuarial valuation carried out as at the end of the year.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.16 Provisions, contingent liabilities and contingent assets**Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

2.17 Revenue Recognition**Revenue from contracts with customers**

Revenue is recognized when the Company substantially satisfied its performance obligation while transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Other Income**Interest Income**

Interest Income mainly comprises of interest on Margin money deposit with banks relating to bank guarantee. Interest income should be recorded using the effective interest rate (EIR). However, the amount of margin money

deposits relating to bank guarantee are purely current in nature, hence effective interest rate has not been applied. Interest is recognized using the time-proportion method, based on rates implicit in the transactions.

Dividend

Dividend income is recognized when the Company's right to receive dividend is established.

2.18 Borrowing Costs

Borrowing costs consist of interest, ancillary and other costs that the Company incurs in connection with the borrowing of funds and interest relating to other financial liabilities. Borrowing cost also include Exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

2.19 Tax Expenses

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

Current tax expense comprises taxes on income from operations in India and foreign tax jurisdictions. Tax expense related to India is determined on the basis of the Income Tax Act, 1961 and quantified at the amount expected to be paid to the taxation authorities using the applicable tax rates. Tax expense relating to overseas operations is determined in accordance with the tax laws applicable in countries where such operations are domiciled.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. 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 utilized. 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.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or 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 or the year ended 31 March 2021. In other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.20 Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares

outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.21 Trade receivables

Trade receivables are initially recognized at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment, if any.

2.22 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.23 Determination of fair values

The Company's accounting policies and disclosures require the determination of fair value, for certain financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

(i) Property, plant and equipment

Property, plant and equipment, if acquired in a business combination or through an exchange of non-monetary assets, is measured at fair value on the acquisition date. For this purpose, fair value is based on appraised market values and replacement cost.

(ii) Intangible assets

The fair value of brands, technology related intangibles, and patents and trademarks acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of these brands, technology related intangibles, patents or trademarks being owned (the "relief of royalty method"). The fair value of customer related, product related and other intangibles acquired in a business combination has been determined using the multi-period excess earnings method after deduction of a fair return on other assets that are part of creating the related cash flows.

(iii) Inventories

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(iv) Investments in equity and debt securities and units of mutual funds

The fair value of marketable equity and debt securities is determined by reference to their quoted market price at the reporting date. For debt securities where quoted market prices are not available, fair value is determined using pricing techniques such as discounted cash flow analysis.

In respect of investments in mutual funds, the fair values represent net asset value as stated by the issuers of these mutual fund units in the published statements. Net asset values represent the price at which the issuer will issue further units in the mutual fund and the price at which issuers will redeem such units from the investors.

Accordingly, such net asset values are analogous to fair market value with respect to these investments, as transactions of these mutual funds are carried out at such prices between investors and the issuers of these units of mutual funds.

2.24 Note on “Code on Security, 2020”

The Indian Parliament has approved the Code on Social Security, 2020 (“the Code”) which would impact the contributions by the company towards Provident Fund and Gratuity. The purpose of the Code on Social Security, 2020 is to amend and consolidate the laws relating to social security with the goal to extend social security to all employees and workers either in the organized or unorganized or any other sectors and for matters connected therewith or incidental thereto. The Code was passed by the Lok Sabha on September 22, 2020 and subsequently, by the Rajya Sabha on September 23, 2020 with a view to amalgamate, simplify and rationalize the relevant provisions of the nine central labour enactments relating to social security. The Code is yet to receive assent of the President of India. The Code shall come into force on such date as the Central Government may, by notification appoint and different dates may be appointed for different provisions of the SS Code. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

2.25 New Accounting pronouncements

The Ministry of Corporate Affairs (MCA) vide notification dated March 23, 2022 issued the Companies (Indian Accounting Standards) Amendment Rules, 2022. These rules notify certain amendments to Indian Accounting Standards (Ind AS). These amendments are effective from April 01, 2022.

Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

As per Ind AS 37, a contract is ‘onerous’ when the unavoidable costs of meeting the contractual obligations (i.e. the lower of the costs of fulfilling the contract and the costs of terminating it) outweigh the economic benefits. Ind AS 37 did not define what are the costs of fulfilling a contract.

The amendments have clarified the types of costs a company can include as the ‘costs of fulfilling a contract’ while assessing whether a contract is onerous as under:

- (a) The incremental costs of fulfilling that contract – for example, direct labour and materials; and
- (b) An allocation of other costs that relate directly to fulfilling contracts – for example, an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract among others.

The amendments apply for annual reporting periods beginning on or after April 01, 2022 to contracts existing at the date when the amendments are first applied. At the date of initial application, the cumulative effect of initially applying the amendments is recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not required to be restated.

Ind AS 16, Property, Plant and Equipment

Amendments to Ind AS 16 have clarified the accounting treatment for sale proceeds of items produced by PPE while preparing it for its intended use.

These amendments have clarified that excess of net sale proceeds of items produced over the cost of testing, if any, would not be recognised in the statement of profit or loss, but deducted from the directly attributable costs considered as part of cost of an item of PPE.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022

The aforesaid amendments do not have any material impact on the consolidated financial statements of the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note No. 3 Property, Plant and Equipment

(All amounts in INR, unless otherwise stated)

Particular	Plant and Equipment	Furniture and Fixtures	Vehicles	Office equipment	Computers	Total
Gross Block						
As at April 01, 2020	12,71,56,784	2,69,972	1,96,76,073	18,25,812	23,47,432	15,12,76,074
Additions during the Year	1,82,42,154	39,23,115	1,58,932	5,07,165	16,22,717	2,44,54,083
Deductions during the Year	-	-	-	-	-	-
As at March 31, 2021	14,53,98,938	41,93,087	1,98,35,005	23,32,977	39,70,149	17,57,30,157
Additions during the Year	9,74,83,372	2,24,000	25,32,741	2,90,471	17,70,477	10,23,01,061
Deductions during the Year	-	-	-	-	-	-
As at March 31, 2022	24,28,82,310	44,17,087	2,23,67,746	26,23,448	57,40,626	27,80,31,218
Depreciation						
As at April 01, 2020	4,68,34,096	75,041	86,76,325	14,46,499	10,05,798	5,80,37,759
For the Period	1,81,75,128	10,71,217	31,04,791	5,31,934	11,42,040	2,40,25,110
On deductions	-	-	-	-	-	-
As at March 31, 2021	6,50,09,224	11,46,258	1,17,81,116	19,78,433	21,47,838	8,20,62,869
For the Period	2,91,55,429	12,73,512	34,54,977	4,12,463	18,49,892	3,61,46,273
On deductions	-	-	-	-	-	-
As at March 31, 2022	9,41,64,653	24,19,770	1,52,36,093	23,90,896	39,97,730	11,82,09,142
Net Block						
As at April 01, 2020	8,03,22,688	1,94,931	1,09,99,748	3,79,313	13,41,635	9,32,38,314
As at March 31, 2021	8,03,89,714	30,46,829	80,53,889	3,54,544	18,22,312	9,36,67,287
As at March 31, 2022	14,87,17,657	19,97,317	71,31,653	2,32,552	17,42,897	15,98,22,134

Note No. 3 (i) Investment Property

Particular	Land	Buildings
As at April 01, 2020	1,80,19,255	64,95,014
Additions during the Period	-	-
Deductions during the Period	-	-
As at March 31, 2021	1,80,19,255	64,95,014
Additions during the Period	-	-
Deductions during the Period	-	-
As at March 31, 2022	1,80,19,255	64,95,014
Depreciation		
As at April 01, 2020		11,09,127
For the Period	-	5,17,310
On deductions	-	-
As at March 31, 2021	-	16,26,437
For the Period	-	6,45,641
On deductions	-	-
As at March 31, 2022	-	22,72,078
As at April 01, 2020	1,80,19,255	53,85,887
As at March 31, 2021	1,80,19,255	48,68,577
As at March 31, 2022	1,80,19,255	42,22,936

Note No. 3 (ii) Intangible Assets

(All amounts in INR, unless otherwise stated)

Particular	Amount
As at April 01, 2021	-
Additions during the Period	3,00,000
Deductions during the Period	-
As at March 31, 2022	3,00,000
Depreciation	
As at April 01, 2021	15,319
For the Period	73,492
On deductions	-
As at March 31, 2022	88,811
As at March 31, 2021	2,84,681
As at March 31, 2022	2,11,189

Note No. 4 (i) Non Current Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Deposit accounts	1,74,992	1,68,834
Total	1,74,992	1,68,834

Note No. 4(ii) Current Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits with Banks	39,22,65,201	55,75,07,613
Total	39,22,65,201	55,75,07,613

Note No. 5 Loans and Advances

Particulars	As at March 31, 2022	As at March 31, 2021
Security and other Deposits	2,72,51,434	2,83,90,344
Total	2,72,51,434	2,83,90,344

Note No. 6 Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current with hloed amount	7,83,28,658	-
Total	7,83,28,658	-

Note No. 7 Inventories & Work in progress

Particulars	As at March 31, 2022	As at March 31, 2021
Work-in-progress(at cost)	45,58,50,695	22,11,89,003
Stores and Spares(at cost)	1,02,37,863	38,63,520
Total	46,60,88,558	22,50,52,523

Note No. 8 Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good		
Trade Receivables	67,63,22,278	38,83,74,042
Total	67,63,22,278	38,83,74,042

Note No. 9 Cash and Cash Equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	5,34,322	15,47,182
Balances with banks in		
- Current accounts	7,54,77,377	2,04,46,116
Dividend Accounts	2,67,252	-
Total	7,62,78,950	2,19,93,298

Note No. 10 Bank Balances other than above

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks (Restricted Use)		
- Margin money deposits	15,27,41,982	15,35,36,450
Total	15,27,41,982	15,35,36,450

Note No. 11 Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Retention Money Receivable	7,46,88,324	16,69,60,420
Other Receivables	13,790	-
Total	7,47,02,114	16,69,60,420

Note No. 12 Other Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Advance for Expenses	2,11,18,946	99,87,067
Prepaid expenses	49,04,418	29,11,496
Deposits paid under protest	64,31,956	10,75,018
Due from Staff	2,90,000	-
Total	3,27,45,320	1,39,73,581

Note No. 13 Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Authorised:				
Equity Shares of INR 10 each.	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Issued, subscribed and paid up:				
Equity Shares of INR 10 each fully paid up	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000
Total	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000

i. Details of share holders holding more than 5% of total number of shares

Name of the Share Holder	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	%	Number of Shares	%
Sri G.S.Rao	1,42,51,250	74.11%	1,42,51,250	74.11%

Details of shares held by promoters

Name of the Share Holder	As at March 31, 2022		As at 31 March, 2021		% Change during the year
	Number of Shares	% of holding	Number of Shares	% of holding	
Sri G.S.Rao	1,42,51,250	74.11%	1,42,51,250	74.11%	0%

ii. Reconciliation of Number of Shares Outstanding:

Name of the Share Holder	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000
Balance at the end of the year	1,97,25,000	19,72,50,000	1,97,25,000	19,72,50,000

iii. Rights, Restrictions and Preference attached to equity Shares including declaration of dividend

The company has only one class of equity shares having a face value of INR 10 per share with one vote per each equity share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution to all preferential creditors. The distribution will be in proportion to the number of equity shares held by the shareholders.

iv. Details of the Bonus shares issued for the last 5 years immediately preceding the current period

During the financial year 2017-18 the Company has allotted 35,00,000 of INR 10 fully paid-up equity shares as bonus shares to the existing equity share holders of the Company in the ratio of 3.5:1.

During the financial year 2019-20 the Company has allotted 1,01,25,000 of INR 10 fully paid-up equity shares as bonus shares to the existing equity share holders of the Company in the ratio of 3.25:1.

During the financial year 2020-21 the company has successfully completed its Initial Public Offer (IPO) of 51,00,000 equity shares of ₹10/- each at a price of ₹120/- per share (including a premium of 110 per share). Shares offered in IPO were allotted on October 12, 2020 and listed on 15th October 2020. With this allotment the paid up share capital has become ₹1972.50 Lakhs.

The Board of directors in its meeting held on May 28, 2022 recommended a dividend on the equity shares at the rate of 10% (₹1/-) per share of ₹10/- each for FY 2021-22 subject to shareholders approval at the ensuing annual general meeting (AGM).

The details of dividend paid by the company is as follows:

Dividend Paid

Particulars	As at March 31, 2022	As at March 31, 2021
Dividend paid during the year	5,91,75,000	-
Dividend per share (₹)	3	-

Note No. 14 Other Equity

Particulars	Reserves and surplus		Other comprehensive income	Total	Non Controlling Interest
	General Reserve	Retained Earnings			
Balance as at March 31, 2020	17,55,632	55,22,60,753	-7,08,584	55,33,07,802	-
Add: Profit upto 31.03.2021	-	28,98,96,596	-	28,98,96,596	-
Re-measurement gains/(losses)	-	-	47,06,212	47,06,212	-
Less: Expenses on IPO	-	(7,21,24,346)	-	(7,21,24,346)	-
Add: Securities Premium	-	56,10,00,000	-	56,10,00,000	-
Balance as at March 31, 2021	17,55,632	1,33,10,33,004	39,97,628	1,33,67,86,264	-
Add: Profit upto 31.03.2022	-	46,12,07,477	-	46,12,07,477	-
Re-measurement gains/(losses)	-	-	45,087	45,087	-
Less: Expenses on IPO	-	(86,71,609)	-	-86,71,609	-
Add: Dividend paid	-	(5,91,75,000)	-	-5,91,75,000	-
Add: NCI upto 31.03.2022	-	-	-	-	13,10,100
Balance as at March 31, 2022	17,55,632	1,72,43,93,871	40,42,715	1,73,01,92,218	13,10,100

Securities Premium has been created consequent to issue of shares at premium. These reserves can be utilised in accordance with Section 52 of the Companies Act, 2013.

Note No. 15 Long-term borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Long term maturities of finance lease obligations	-	-
Total	-	-

Note No. 16 Long Term Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee retirement benefits		
: Gratuity	21,72,184	18,89,461
: Compensated Absences	-	-
Total	21,72,184	18,89,461

Note No. 17 Deferred Tax Liabilities (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities (Net)	(44,90,214)	(31,32,730)
Total	(44,90,214)	(31,32,730)

Note No. 18 Short-term borrowings

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Loan repayable on demand from:		
From Banks	-	1,32,396
Total	-	1,32,396

Note No. 19 Trade payables

Particulars	As at March 31, 2022	As at March 31, 2021
Dues to: Small and Micro Enterprises *		
: Other than Small and Micro Enterprises	9,05,59,872	1,79,91,288
Total	9,05,59,872	1,79,91,288

Note No. 20 Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Current maturities of finance lease obligations	-	15,22,571
Liabilities for expenses	39,98,416	28,93,323
Deposits payable	82,000	60,000
Mobilisation Advance payable	68,42,530	-
Dividend Payable	2,67,252	-
Total	1,11,90,198	44,75,894.00

Note No. 21 Other current liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	4,95,08,641	4,69,67,444
Employee Benefits payable	2,69,00,874	2,18,11,862
Remuneration Payable	4,40,58,647	6,03,42,147
Total	12,04,68,162	12,91,21,453

Note No. 22 Short Term Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
: Gratuity	3,91,918	51,564
Total	3,91,918	51,564

Note No. 23 Current Tax Liability (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Tax Liability (Net)	1,14,40,663	-1,17,68,685
Total	1,14,40,663	(1,17,68,685)

Note No. 24 Revenue from Operations

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Revenue from Operations	2,57,21,17,147	1,90,62,17,079
Total	2,57,21,17,147	1,90,62,17,079

Note No. 25 Other income

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Recurring other income		
Not related to business activity		
Interest Income	3,27,45,075	2,07,34,290
Rent earned	4,43,100	4,80,000
Non-recurring other income		
Not related to business activity		
Insurance Claim		64,849
Related to business activity		
Other Operating Income	-	17,15,386
Discount Received	1,10,723	1,59,473
Gain On Foreign Exchange Conversion	7,29,146	-
Sales Tax Refund	15,72,887	-
Total	3,56,00,932	2,31,53,998

Note No. 26 Raw Material Consumed

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Opening Stock of raw material	38,63,520	32,68,854
Add: Purchases during the year	52,34,37,025	34,71,36,675
Less: Closing stock of raw material	-1,02,37,863	-38,63,520
Total	51,70,62,682	34,65,42,009

Note No. 27 Construction expenses

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Sub Contract Expenses	93,85,83,860	58,93,01,217
Hire Charges	14,51,61,511	7,11,31,762
Power and Fuel	14,32,86,337	7,76,97,760
Rates and Taxes	2,17,06,952	1,67,95,809
Repairs to: Plant and Machinery	49,75,861	27,82,205
Repairs to: Other Assets	13,82,208	9,29,894
Other expenses	28,30,520	2,16,02,568
Total	1,25,79,27,250	78,02,41,214

Note No. 28 Changes in inventories of work-in-progress

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Opening work-in-progress	22,11,89,003	24,35,55,919
Closing work-in-progress	45,58,50,695	22,11,89,003
Total	-23,46,61,692	2,23,66,916

Note No. 29 Employee benefits

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Salaries and Wages	27,95,36,911	23,97,04,613
Directors Remuneration	-	3,60,00,000
Contribution to provident fund and other funds	1,84,37,497	1,51,20,430
Gratuity	6,83,325	15,70,886
ESI	64,66,331	67,69,904
Leave Encashment	-	1,28,655
Staff welfare expenses	2,03,93,476	80,38,836
Total	32,55,17,540	30,73,33,324

Note No. 30 Finance costs

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Hire Purchase Charges	32,885	11,87,685
Interest on Working Capital Loans	70,081	5,00,194
Interest Others	-	8,16,195
Other borrowing costs	52,28,996	42,02,289
Total	53,31,962	67,06,363

Note No. 31 Other expenses

Particulars	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Rent	3,90,41,684	2,89,99,960
Insurance	80,45,926	69,23,798
Rates and taxes, excluding, taxes on income	5,99,643	-
Advertisement and Business Promotion expenses	1,57,090	3,12,762
Legal and Professional Charges	39,26,574	1,87,180
Auditors Remuneration	9,00,000	5,45,000
Donation	1,090	15,11,000
Corporate Social Responsibility Expenses	61,00,680	42,00,000
Communication Expenses	3,03,849	3,61,451
Travelling and Conveyance expenses	31,10,815	24,83,549
Bank Charges	1,82,719	12,34,036
General expenses	2,24,96,229	1,11,30,188
Total	8,48,66,299	5,78,88,924

32. Additional Information to the financial statements

32.1 Auditors Remuneration

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Audit fees	9,00,000	5,45,000
b) Other charges		
Taxation matters	-	-
Certification fee	-	-
c) Reimbursement of out of pocket expenses	-	-
TOTAL	9,00,000	5,45,000

32.2 Earnings per Share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Earnings		
Profit attributable to equity holders	46,12,07,477	28,98,96,596
Shares		
Number of shares at the beginning of the year	1,97,25,000	1,97,25,000
Add: Equity shares issued	-	-
Less: Buy back of equity shares	-	-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Total number of equity shares outstanding at the end of the year	1,97,25,000	1,97,25,000
Weighted average number of equity shares outstanding during the year – Basic	1,97,25,000	1,97,25,000
Add: Weighted average number of equity shares arising out of outstanding stock options (net of the stock options forfeited) that have dilutive effect on the EPS	-	-
Weighted average number of equity shares outstanding during the year – Diluted	1,97,25,000	1,97,25,000
Earnings per share of par value ₹2/- – Basic (₹)	23.38	17.05
Earnings per share of par value ₹2/- – Diluted (₹)	23.38	17.05

32.3 Related Parties

Related party transactions have been disclosed in accordance with Ind AS 24 'Related Party Disclosures'

(a) Names of the related parties and description of the relationship

Name of related parties	Nature of relationship
Mr. Srinivasa Rao Gaddipati	Managing Director
Mrs. Sri Lakshmi Gaddipati	Director
Mr. Gaddipati Kutumba Rao	Director
Mrs. Likhitha Gaddipati	Chief Financial Officer
Mr. Venkata Sesha Talpa Sai Munupalle	Director
Mr. Sivasankara Parameswara Kurup Pillai	Director
Mr. Venkatram Arigapudi	Director
Ms. Jayashree Voruganty	Director
Mr. Sudhanshu Shekhar	Chief Executive Officer
Mrs. Triveni Banda	Company Secretary

The following is a summary of significant related party transactions:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Key managerial personnel		
Remuneration & Commission		
Srinivasa Rao Gaddipati	-	36,000,000
Sri Lakshmi Gaddipati	-	-
Gaddipati Kutumba Rao	-	-

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Likhitha Gaddipati	9,00,000	-
Narasimha Sekhar Narahari (Ex CFO)		1,33,000
Sambasiva Rao Ketineni (CFO)		1,10,000
Santhosh Kumar Gunemoni	-	4,44,000
Sudhanshu Shekhar	18,60,000	16,12,000
Triveni Banda	1,33,000	-
Rent		
G Kutumba Rao (including hire charges)	-	1,50,835
G. Srinivasa Rao	37,80,000	18,58,500
Sitting Fee		
Venkata Sesa Talpa Sai Munupalle	1,70,000	1,80,000
b) Non-whole time Directors		
Sitting Fee		
Sivasankara Parameswara Kurup Pillai	2,30,000	2,40,000
Venkatram Arigapudi	1,10,000	40,000
Jayashree Voruganty	90,000	-
c) Relatives of Key Managerial Personnel		
Remuneration		
Dheeraj Ram Chandra	9,00,000	-

Transactions with Subsidiaries:

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
CPM-Likhitha Consortium (Capital)	17,71,210	-
CPM-Likhitha Consortium (Advance)	1,66,93,000	-
TOTAL	1,84,64,210	-

32.4 Employee benefits:

Gratuity benefits

In accordance with applicable laws, the Company has a defined benefit plan which provides for gratuity payments (the "Gratuity Plan") and covers certain categories of employees in India. The Gratuity Plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amount of the payment is based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the Gratuity Plan are determined by an actuarial valuation, based upon which the Holding Company makes contributions to the Life Insurance Corporation of India (LIC).

The components of gratuity cost recognized in the statement of profit and loss for the years ended 31st March 2022 and 2021 consist of the following:

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Current service cost	5,51,336	12,61,332
Interest cost on net defined benefit liability/(asset)	1,31,989	3,09,554
Gratuity cost recognized in statement of profit and loss	6,83,325	15,70,886

Details of the employee benefits obligations and plan assets are provided below:

Particulars	As of 31 March 2022	As of 31 March 2021
Present value of funded obligations	25,64,102	19,41,029
Fair value of plan assets	-	-
Net defined benefit liability/(asset)	25,64,102	19,41,029

Details of changes in the present value of defined benefit obligations are as follows:

Particulars	As of 31 March 2022	As of 31 March 2021
Defined benefit obligations at the beginning of the year	19,41,029	46,13,325
Current service cost	5,51,336	12,61,332
Interest cost on defined obligations	1,31,989	3,09,554
Re-measurements due to:		
Actuarial loss/(gain) due to change in financial assumptions	(1,18,985)	(21,278)
Actuarial loss/(gain) due to demographic assumptions		
Actuarial loss/(gain) due to experience changes	58,733	(42,21,904)
Benefits paid		
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)		
Defined benefit obligations at the end of the year	25,64,102	19,41,029

Details of changes in the fair value of plan assets are as follows:

(₹ in Lakhs)

Particulars	As of 31 March 2022	As of 31 March 2021
Fair value of plan assets at the beginning of the year	-	-
Employer contributions	-	-
Actuarial loss / (gain) on plan assets	-	-
Re-measurements due to:	-	-
Return on plan assets excluding interest on plan assets	-	-
Benefits paid	-	-
Other (Employee Contribution, Taxes, Expenses, adj to Opening Balance)	-	-
Plan assets at the end of the year	-	-

Summary of Actuarial Assumptions:

The actuarial assumptions used in accounting for the Gratuity Plan are as follows: The assumptions used to determine benefit obligations:

Particulars	As of 31 March 2022	As of 31 March 2021
Discount rate	7.18%	6.80%
Rate of compensation increase	4.00%	4.00%

Leave Encashment

The Holding Company provides for accumulation of compensated absences by certain categories of its employees. These employees can carry forward a portion of the unutilised compensated absences and utilise them in future periods or receive cash in lieu thereof as per the Company's policy. The Company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement.

Contribution to Provident Fund

The employees of the Company receive benefits from a provident fund, a defined contribution plan. Both the employee and employer each make monthly contributions to a government administered fund equal to 12% of the covered employee's qualifying salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributed ₹326.12 Lakhs and ₹280.28 Lakhs to the provident fund plan during the years ended 31st March 2022 and 2021, respectively.

32.5 Income Taxes:

Income tax expense / (benefit) recognized in the statement of profit and loss:

Income tax expense / (benefit) recognized in the statement of profit and loss consists of the following:

(₹ in Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Current taxes expense	15,49,73,805	9,49,60,719
Domestic	15,49,73,805	9,49,60,719
Foreign		
Deferred taxes expense/(benefit)	(13,72,650)	(1,122,727)
Domestic	(13,72,650)	(1,122,727)
Total income tax expense/(benefit) recognized in the statement of profit and loss	15,36,01,155	9,38,37,992

Reconciliation of Effective tax rate:

(₹ in Lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit before income taxes	61,48,08,633	38,37,34,589
Enacted tax rate in India	25.17%	25.17%
Computed expected tax benefit/(expense)	15,47,47,333	9,65,85,996
Effect of:		
Expenses not deductible for Tax purposes	1,09,86,556	84,73,420

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Expenses deductible for Tax purposes	1,07,60,084	1,00,98,697
Taxable at Special Rates		
Others		
Foreign Taxes		
Tax effect due to non-taxable for Indian Tax Purpose		
Income tax benefit/(expense)	15,49,73,805	94,960,719
Effective tax rate	25.21%	24.75%

The Company's average effective tax rate for the years ended March 31, 2022 and 2021 were 25.21% and 24.75%. respectively.

Deferred tax assets & Liabilities:

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities and a description of the items that created these differences is given below:

Particulars	As of 31 March 2022	As of 31 March 2021
Deferred tax (assets) / liabilities:		
Property, plant and equipment	(34,13,613)	(2,245,668)
Others	(10,76,601)	(887,062)
Net deferred tax (assets) / liabilities	(44,90,214)	(3,132,730)

32.6 Financial Risk Management:

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and Market risk. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors, risk management committee and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31st March 2022. Of the total trade and other receivables, impairment loss is provided for ₹ Nil and Nil as at 31st March 2022 and at 31st March 2021.

The Company's credit period for customers generally ranges from 60-90 days. The aging of trade receivables that are past due but not impaired is given below:

Particulars	As of 31 March	
	2022	2021
Period (in days)		
1 – 90	63,75,32,325	37,23,98,574
90 – 180	2,69,88,539	1,54,64,900
More than 180	1,46,97,225	5,10,569
Total	67,63,22,278	38,83,74,042

On account of adoption of Ind AS 109, the Company uses Expected Credit Loss (ECL) model for assessing the impairment loss. For this purpose, it is weighted average of credit losses with the respective risks of default occurring as weights. The credit loss is the difference between all contractual cash flows that are due to an entity as per the contract and all the contractual cash flows that the entity expects to receive, discounted to the effective interest rate.

Financial assets that are neither past due nor impaired - None of the Company's cash equivalents, including deposits with banks, were past due or impaired as at 31st March 2022

Liquidity Risks:

The Company monitors its risk of shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, trade and other payables. Liquidity risk is that the Company might be unable to meet its obligations. The Company's approach to managing liability is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. The company believes that the available working capital is sufficient to meet its current requirements

As of 31st March 2022, the Company had working capital (current assets less current liabilities) of ₹1,63,70,93,590 including cash and cash equivalents of ₹7,62,78,950. As of 31st March 2021, the Company had working capital of ₹1,38,73,94,018, including cash and cash equivalents of ₹2,19,93,298.

Particulars	2023	2024	2025	2026	2027	Total
Trade payables	905.59	-	-	-	-	905.59
Long term borrowings	-	-	-	-	-	-
Bank overdraft, short-term loans and borrowings*	-	-	-	-	-	-
Other liabilities*	2,362.22	-	-	-	-	2,362.22

* The bank overdraft and other liabilities are payable on demand

Market Risks:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk are deposits with Banks.

The analysis excludes the impact of movements in market variables on: the carrying values of gratuity and other postretirement obligations; provisions; and the non-financial assets and liabilities.

The following assumptions have been made in calculating the sensitivity analysis:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities i.e. Cost of material which is denominated in a foreign currency though the same is payable in INR.

Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company has no outstanding bank borrowings. The company believes that the working capital available is sufficient to meet its current requirements. The company's exposure to interest rate risk arises primarily from deposits with Banks.

32.7 Financial instrument

The carrying value and fair value of financial instruments as at 31 March 2022 and 31 March 2021 were as follows:

Particulars	As at 31 March 2022		As at 31 March 2021	
	Total carrying value	Total fair value / amortised cost	Total carrying value	Total fair value / amortised cost
Financial assets				
Cash and cash equivalents	7,62,78,950	7,62,78,950	2,19,93,298	2,19,93,298
Other bank balances	15,27,41,982	15,27,41,982	15,35,36,450	15,35,36,450
Investments	39,24,40,193	39,24,40,193	55,76,76,447	55,76,76,447
Trade receivables	67,63,22,278	67,63,22,278	38,83,74,042	38,83,74,042
Loans	2,72,51,434	2,72,51,434	2,83,90,344	2,83,90,344
Other financial assets	15,30,30,772	15,30,30,772	16,69,60,420	16,69,60,420
Total	1,47,80,65,609	1,47,80,65,609	1,31,69,31,001	1,31,69,31,001
Financial liabilities				
Trade payables	9,05,59,872	9,05,59,872	1,79,91,288	1,79,91,288
Short-term borrowings	-	-	1,32,396	1,32,396
Other financial liabilities	1,11,90,198	1,11,90,198	44,75,894	44,75,894
Total	10,17,50,070	10,17,50,070	2,25,99,578	2,25,99,578

32.8 Capital Management

The Company's objective for capital management is to maximize shareholder wealth, safeguard business continuity and support the growth of the Company. The Company determines the capital management requirement based on annual operating plans and long term and other strategic investment plans. The funding requirements are met through equity, borrowings and operating cash flows required.

(₹ in Lakhs)

Particulars	2022	2021
Total Debt	2,362.23	1,536.62
Total Equity	19,274.42	15,340.36
Debt Equity Ratio	0.12:1	0.10:1

32.9 Contingent Liabilities and Commitments

The following are the details of contingent liabilities and commitments:

Particulars	2022	2021
Contingent Liabilities		
a) Claims against the company/disputed liabilities not acknowledged as debts		
Income Tax	5,27,54,439.00	5,30,70,399.00
Service tax		
Sales Tax	21,50,037.00	21,50,037.00
GST	27,53,785.00	-
b) Guarantees		
Bank Guarantees		
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for		

32.10 Ratios Analysis:

Ratio	Numerator	Denominator	Ratios FY 2021-22	Ratios FY 2020-21
Current ratio	Current Assets	Current Liabilities	7.99	10.14
Debt- Equity Ratio	Total Debt	Shareholder's Equity	0.12	0.10
Debt Service Coverage ratio	Earnings for debt service	Debt service	-	-
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.27	0.26
Inventory Turnover ratio	Cost of goods sold	Average Inventory	4.46	4.87
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	9.80	6.99
Trade Payable Turnover Ratio	Net credit purchases	Average Trade Payables	32.82	14.33
Net Capital Turnover Ratio	Revenue	Working capital	1.59	1.39
Net Profit ratio	Net Profit	Revenue	0.18	0.15
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	0.36	0.35
Return on Investment	Income generated from investments	Time weighted average investments	0.08	0.04

32.11 Other statutory information:

- a. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- b. The Company does not have any transactions with struck off companies.
- c. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- d. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- e. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- f. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - i. 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
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g. The Company has not entered in to any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- h. The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- i. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- j. No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, during the year.

As per our report of even date**For NSVR & ASSOCIATES LLP
Chartered Accountants**

FRN: 008801S/S200060

Suresh Gannamani

Partner

Membership No: 226870

UDIN: 22226870ALFQSK3261

Place : Hyderabad

Date : 28/05/2022

For and on behalf of Board of Directors**G Srinivasa Rao**

Managing Director

DIN: 01710775

G Sri Lakshmi

Director

DIN: 02250598

Likhitha Gaddipati

Chief Financial Officer

Triveni Banda

Company Secretary

Sudhanshu Shekar

Chief Executive Officer

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 23RD ANNUAL GENERAL MEETING (AGM) OF LIKHITHA INFRASTRUCTURE LIMITED WILL BE HELD ON MONDAY, SEPTEMBER 26, 2022, AT 12.00 P.M. THROUGH VIDEO CONFERENCING (“VC”) OR OTHER AUDIO-VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt

- a) the Audited Standalone Financial Statement of the Company for the financial year 2021-22 together with the Reports of the Board of Directors and Auditors thereon; and
- b) the Audited Consolidated Financial Statement of the Company for the financial year 2021-22 together with the Reports of the Auditors thereon

2. To Confirm Interim Dividend and Declaration of Final Dividend for the Financial Year 2021-2022.

- a) To confirm the interim dividend of ₹1.50/- (i.e., @ 15%) per Equity Share of ₹10.00/- each to the shareholders, declared by the Board of Directors in their meeting held on November 10, 2021 for the financial year 2021-22.
- b) To declare a dividend of ₹1.00/- (i.e., @ 10%) per Equity Share of face value ₹10/- each for the financial year ended March 31, 2022.

“**RESOLVED THAT** in terms of the recommendation of the Board of Directors of the Company, the approval of the members of the Company be and is hereby granted for payment of dividend of ₹1.00/- (i.e. @ 10%) per Equity Share on 1,97,25,000 Equity Shares of ₹10 /- each fully paid for the financial year ended March 31, 2022.”

3. To appoint a director in place of Mr. Kutumba Rao Gaddipati (DIN: 02333387), who retires by rotation and being eligible, offers himself for re-appointment to the office of Director.

To appoint a director in place of Mr. Kutumba Rao Gaddipati (DIN: 02333387) who retires by rotation and being eligible, offers himself for re-appointment.

By order of Board

For Likhitha Infrastructure Limited

Sd/-

Triveni Banda

Company Secretary and Compliance Officer

M. No. A68042

Date: 10.08.2022

NOTES TO MEMBERS

1. In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021 and 2/2022 dated May 05, 2022, issued by the Ministry of Corporate Affairs (“MCA”) read with Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May, 13, 2022 and other relevant circulars issued by the Securities and Exchange Board of India (“SEBI”), from time to time (hereinafter collectively referred to as “the Circulars”), Companies are allowed to hold AGM through Video Conference (“VC”) or Other Audio Visual Means (“OAVM”) upto December 31, 2022, without physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being convened through VC/OAVM and the venue of the AGM shall be deemed to be the registered office of the Company.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since

this AGM is being proposed to be held pursuant to the said MCA Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form and the attendance slip are not attached to this Notice.

3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ("Act"), in respect of items of special business is not applicable as there is no Special Business contained in this report.
4. Members may note that the Board, at its meeting held on May 28, 2022, has recommended a final dividend of ₹1.00/- (i.e., @ 10%) per Equity Share. The record date for the purpose of final dividend for the financial year is fixed as September 19, 2022. The final dividend, once approved by the members in the ensuing AGM, will be paid within a period of 30 days from the date of declaration through those members whose names appear on the Register of members as on September 19, 2022, electronically through various online transfer modes to those members who have updated their bank account details.

Members may please note that the dividend warrants are payable at par at the designated branches of the bank printed on reverse of the dividend warrant for an initial period of 3 months only. There after, the dividend warrant on revalidation is payable only at limited centres / branches. The members are therefore, advised to encash dividend warrants within the initial validity period.

The dividend will be transferred to members bank accounts registered with depository participants with whom they are maintaining their demat accounts through NACH mode.

Shareholders may kindly note that their bank account details as furnished by their depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the depositories and the Company will not entertain any direct request from such shareholders for deletion or change in such bank details. Shareholders are requested to intimate immediately any change in their address or bank mandates to their depository participants with whom their demat accounts.

For members who have not updated their bank account details, dividend warrants / demand drafts will be sent to their registered addresses. To avoid delay in receiving dividend, members are requested to update their KYC with their depositories (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent (RTA) (where shares are held in physical mode) to receive dividend directly into their bank account on the payout date.

The members may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company on or after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. To enable us to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid Permanent Account Number (PAN)	10%* or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India

*As per the Finance Act, 2021, Section 206AB has been inserted effective July 01, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section.

However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during FY 2022-23 does not exceed ₹5,000, and also in cases where members provide Form 15G / Form 15H (Form 15H is applicable to resident individual shareholders aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding of tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20%** (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA), read with Multilateral Instrument (MLI) between India and the country of tax residence of the shareholders, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following documents:

- Copy of the PAN card allotted by the Indian income tax authorities duly attested by the shareholders or details as prescribed under Rule 37BC of the Income-Tax Rules, 1962.
- Copy of the Tax Residency Certificate for financial year 2022-23 obtained from the revenue or tax authorities of the country of tax residence, duly attested by shareholders.
- Self-declaration in Form 10F.
- Self-declaration by the shareholders of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by the shareholders.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act at the rate of 20%** (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents, if applicable.

** As per the Finance Act, 2021, Section 206AB has been inserted effective July 01, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid section. However, in case a non-resident shareholder or a non-resident Foreign Portfolio Investor (FPI) / Foreign Institutional Investor (FII), higher rate of tax as mentioned in Section 206AB shall not apply if such non-resident does not have a permanent establishment in India.

Shareholders may write to bsshyd.bd@bigshareonline.com for any clarifications on this subject. Shareholders can also check their tax credit in Form 26AS from the e-filing account at <https://www.incometax.gov.in/iec/foportal> or "View Your Tax Credit" on <https://www.tdscpc.gov.in>.

5. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and kindly give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email ID, ECS mandate etc.
6. As per Regulation 40 of the Listing Regulations, as amended from time to time, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019. Even the transmission or transposition of securities held in physical or dematerialised form shall be affected only in dematerialised form with effect from January 24, 2022. Your Company does not have any physical shares.

All communications in respect of share transfers, dematerialization and change in the address of the members may be communicated to the RTA.

7. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and are requested to send the relevant share certificates to the RTA / Company.
8. Corporate members intending to allow their authorised representatives to attend the meeting are requested to send to the Company, a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
9. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7(seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') as amended from time-to-time, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs. (However, the Company has declared dividend from the FY 2020-21 onwards therefore the above provisions will not be applicable to our Company).

10. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least one week before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
11. Members may also note that the notice of the 23rd Annual General Meeting is available on the Company's website: www.likhitha.co.in. All documents referred to in the accompanying notice and the statement pursuant to Section 102(1) of the Companies Act, 2013, shall be open for inspection by the Members by writing an e-mail to the Company at cs@likhitha.in.

In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 13, 2022, Notice of the AGM along with Annual Report 2021-22 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2021-22 will also be available on the Company's website at www.likhitha.co.in, on the website of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com.

To support 'Green Initiative', members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent / their Depository Participants in respect of shares held in physical/electronic mode, respectively.

12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed to the Notice.
13. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.
14. Retirement of Directors by rotation: Mr. Kutumba Rao Gaddipati, Non-Executive Director of the Company, retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

INSTRUCTIONS FOR E-VOTING

CDSL e-Voting System – For e-voting during AGM

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
2. The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come

first served basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.likhitha.co.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.

INSTRUCTIONS TO SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS AREAS UNDER

- i. The voting period begins on September 23, 2022 at 09:00 A.M. and ends on September 25, 2022 at 05:00 P.M. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., September 19, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The Board, of Directors have appointed M/s. VCAN & Associates, Practising Company Secretaries, Hyderabad, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.
- iii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iv. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/ retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- v. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode CDSL/NSDL is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered mobile and email as recorded in the demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above-mentioned website.

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

Login Type	Helpdesk Details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at tollfree no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- vi. Login method for e-Voting and joining virtual meetings for physical shareholders and shareholders other than individual holding in Demat form:
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member ID / folio number in the Dividend Bank details field.

- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein, they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant Company, i.e., LIL, on which you choose to vote.
- xi. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

- xiv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xvii. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

xviii. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cDSLindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.
- It is mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, non-individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@vcancs.com and cs@likhitha.in, if they have voted from individual tab and not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER

1. The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days (i.e. 19th September 2022, 5.00 pm) prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days (i.e. 19th September 2022, 5.00 pm) prior to the meeting mentioning their

name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through AVC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Demat shareholders - Please update your email id and mobile no. with your respective Depository Participant (DP)
2. For Individual Demat shareholders – Please update your email id and mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting and joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM and e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

GENERAL INSTRUCTIONS

- i. The Scrutinizer, after scrutinising the votes cast at the meeting through remote e-voting and during AGM will, not later than 48 hours from the conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.likhitha.co.in and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchanges.
- ii. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

By order of Board
For Likhitha Infrastructure Limited

Sd/-
Triveni Banda
Company Secretary and Compliance Officer
M. No. A68042
Date: 10.08.2022

ANNEXURE TO THE NOTICE FOR AGM

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting to be held on September 26, 2022 under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per SS-2 issued by ICSI.

Particulars	Item No. 3 of Notice
Name	Mr. Kutumba Rao Gaddipati
DIN	0233387
Date of first Appointment	16.08.1998
Designation	Non- Executive Non-Independent Director
Date of Birth	01.07.1966
Qualification	Masters in Science
Expertise in specific functional Areas	He has significant experience in the overall business administration of our Company.
Terms and conditions of appointment and details of last salary drawn	Retiring by rotation, being eligible offers himself for reappointment. No salary was drawn for FY 2021-22.
Number of meetings of the Board attended During the year	05
Disclosure of relationship between directors inter-se	Brother of Mr. Srinivasa Rao Gaddipati, Managing Director
Shareholding as on 31.03.21	Nil
Directorships	01
Board (Listed entities)	01 (Likhitha Infrastructure Limited)
Committees (Listed entities)	Nil

Notes

Notes



Likhitha Infrastructure Limited

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

Ph: +91-40-23752657

E-mail: info@likhitha.in

www.likhitha.co.in