MSKA & Associates
Chartered Accountants

1101/B, Manjeera Trinity Corporate
JNTU-Hitech City Road, Kukatpally
Telangana, Hyderabad 500072, INDIA

# INDEPENDENT AUDITOR'S REPORT

To the Members of **Steel Infra Solutions Private Limited**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Steel Infra Solutions Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 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 31 March 2023, and profit other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

### Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the Annual Report, Director's report and Board's report, etc, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

## Responsibilities of Management and Those Charged with Governance 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, changes in equity and cash flows 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 statement 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 Board of Directors 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 Board of Directors 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 Responsibilities 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

## Other Matter

The standalone financial statements of the Company for the year ended 31 March 2022, were audited by another auditor whose report dated 31 May 2022 expressed an unmodified opinion on those statements.

Our opinion is not modified in respect of this matter.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure 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, 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 Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

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

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv.

1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2. The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

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

MSKA & ASSOCIATES
Hyderabad
Chartered Accountants

3. In our opinion, according to information, explanations given to us, the provisions of Section 197 of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

**For M S K A & Associates**
**Chartered Accountants**
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDWZ4759

Place: Bhilai
Date: 27 May 2023

MSKA & ASSOCIATES
Hyderabad
Chartered Accountants

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF STEEL INFRA SOLUTIONS PRIVATE LIMITED**

**Auditor's Responsibilities for the Audit of the 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 with reference to standalone financial statements in place and the operating effectiveness of such controls.

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

**For M S K A & Associates**
**Chartered Accountants**
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDWZ4759
Place: Bhilai
Date: 27 May 2023

MSKA & ASSOCIATES
Hyderabad
Chartered Accountants

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF STEEL INFRA SOLUTIONS PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

i.

(a)

A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment and right of use assets have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii.

(a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.

(b) During the year the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements filed with such Banks are in agreement with the books of account.

iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.

iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

MSKA & ASSOCIATES
Hyderabad
Chartered Accountants

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. We have broadly reviewed the books of account maintained by the Company pursuant Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii.

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, and other statutory dues have been regularly deposited by the Company with appropriate authorities in all cases during the year.

There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, and other statutory dues in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues relating to Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise, cess or other statutory dues which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.

ix.

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiary.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary. Hence, reporting under the Clause 3(ix)(f) of the order is not applicable to the Company.

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

x.

(a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

(a) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended 31 March 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. 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 financial statements as required by the applicable accounting standards.

xiv.

(a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.

xvi.

(a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi) (d) of the order are not applicable to the Company.

xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been resignation of the statutory auditor during the year and we have taken into consideration issues, objections or concerns raised by the outgoing auditor.

MSKA & ASSOCIATES
Hyderabad
Chartered Accountants

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

xx.

(a) In respect of other than ongoing projects, the Company has transferred unspent amount to a Fund specified in schedule VII of the Act within a period of six months of the expiry of the financial year in compliance second proviso to sub-Section (5) of Section 135 of the Act.

(b) There are no ongoing projects and accordingly reporting under Clause 3(xx)(b) of order is not applicable to the Company.

xxi. The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

**For M S K A & Associates**
**Chartered Accountants**
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDWZ4759

Place: Bhilai
Date: 27 May 2023

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF STEEL INFRA SOLUTIONS PRIVATE LIMITED**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of **Steel Infra Solutions Private Limited** on the Financial Statements for the year ended 31 March 2023]

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

**Opinion**

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

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

MSKA & ASSOCIATES Hyderabad Chartered Accountants

### Meaning of Internal Financial Controls With reference to Standalone Financial Statements

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

### Inherent Limitations of Internal Financial Controls With reference to Standalone financial statements

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

**For M S K A & Associates**
**Chartered Accountants**
ICAI Firm Registration No. 105047W

Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 23205226BGWDWZ4759

Place: Bhilai
Date: 27 May 2023

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

Steel Infra Solutions Private Limited
Standalone Balance Sheet as at 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

| | Note | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 5.(a) | 5,600 | 5,331 |
| Right of use assets | 5.(b) | 163 | 166 |
| Capital work-in-progress | 6 | - | 5 |
| Other intangible assets | 7 | 78 | 52 |
| Financial assets | | | |
| Investments | 8 | 1 | - |
| Other financial assets | 9 | 1,159 | 802 |
| **Total non-current assets** | | 7,001 | 6,356 |
| **Current assets** | | | |
| Inventories | 10 | 6,076 | 6,329 |
| Financial assets | | | |
| Trade receivables | 11 | 10,379 | 6,941 |
| Cash and cash equivalents | 12 | 102 | 73 |
| Bank balances other than cash and cash equivalent | 13 | 1,273 | 1,318 |
| Other financial assets | 14 | 6,331 | 5,206 |
| Other current assets | 15 | 434 | 773 |
| **Total current assets** | | 24,595 | 20,640 |
| **Total assets** | | **31,596** | **26,996** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 16 | 3,673 | 3,391 |
| Other equity | 17 | 10,093 | 5,289 |
| **Total equity** | | 13,766 | 8,681 |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 18 | 175 | 2,447 |
| Lease Liabilities | 38 | 70 | 77 |
| Provisions | 19 | 149 | 78 |
| Deferred Tax Liabilities (Net) | 34 | 452 | 342 |
| Other non-current liabilities | 20 | 36 | 48 |
| **Total non-current liabilities** | | 882 | 2,992 |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 21 | 3,699 | 3,564 |
| Lease Liabilities | 38 | 9 | 9 |
| Trade payables | 22 | | |
| i)total outstanding dues of micro enterprises and small enterprises | | 258 | 330 |
| ii)total outstanding dues of creditors other than micro enterprises and small enterprises | | 11,401 | 8,572 |
| Other financial liabilities | 23 | 199 | 502 |
| Other current liabilities | 24 | 1,278 | 2,130 |
| Provisions | 19 | 7 | 0 |
| Current tax liabilities (net) | 25 | 97 | 216 |
| **Total current liabilities** | | 16,948 | 15,324 |
| **Total liabilities** | | 17,830 | 18,316 |
| **Total equity and liabilities** | | **31,596** | **26,996** |

See accompanying notes to the financial statements 1-60

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

As per our report of even date
**For M S K A & Associates**
Chartered Accountants
Firm Registration No.:105047W

**Ananthakrishnan. G**
Partner
Membership No: 205226

Place: Bhilai
Date: 27 May 2023

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of the Board of Directors
**Steel Infra Solutions Private Limited**
CIN: U27300DL2017PTC324842

**Ravi Uppal**
Director
DIN: 00025970

Place: Bhilai
Date: 27 May 2023

**K. Rajagopal**
Director
DIN: 00135666

Place: Bhilai
Date: 27 May 2023

**Suraj Agrawal**
Company Secretary
Membership No: 43787

Place: Bhilai
Date: 27 May 2023

For Steel Infra Solutions Pvt. Ltd. SISCOL

Steel Infra Solutions Private Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

| | Note | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 26 | 51,172 | 35,195 |
| Other income | 27 | 255 | 181 |
| **Total income** | | **51,427** | **35,377** |
| **Expenses** | | | |
| Cost of material consumed | 28 | 35,742 | 24,641 |
| Changes in inventories of finished goods, stock-in-trade and work-in-progress | 29 | -684 | -1,270 |
| Employee benefits expense | 30 | 3,167 | 2,765 |
| Finance costs | 31 | 1,512 | 986 |
| Depreciation and amortization expense | 32 | 457 | 411 |
| Other expenses | 33 | 8,862 | 6,055 |
| **Total expenses** | | **49,056** | **33,588** |
| **Profit before tax** | | 2,371 | 1,789 |
| **Income tax expense** | | | |
| Current tax | 34 | 635 | 440 |
| Adjustment of tax relating to earlier periods | 34 | -124 | 20 |
| Deferred tax | 34 | 105 | 49 |
| **Total income tax expense** | | **616** | **508** |
| **Profit for the year** | | 1,755 | 1,280 |
| **Other comprehensive income** | | | |
| ***Items not to be reclassified to profit or loss*** | | | |
| Re-measurement gains/ (losses) on defined benefit plans | | 15 | -12 |
| Income tax effect on these items | | -4 | 3 |
| **Other comprehensive income for the year, net of tax** | | **11** | **-9** |
| **Total comprehensive income for the year, net of tax** | | **1,766** | **1,272** |
| **Earnings per share (equity shares, par value INR 10 each)** | 35 | | |
| Basic earnings per share (INR) | | **5.06** | **3.98** |
| Diluted earnings per share (INR) | | **5.05** | **3.97** |
| See accompanying notes to the financial statements | 1-60 | | |

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

As per our report of even date
**For M S K A & Associates**
Chartered Accountants
**Firm Registration No.:105047W**

Ananthakrishnan. G
Partner
Membership No: 205226

Place: Bhilai
Date: 27 May 2023

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of the Board of Directors of
**Steel Infra Solutions Private Limited**
**CIN: U27300DL2017PTC324842**

**Ravi Uppal**
**Director**
DIN: 00025970

Place: Bhilai
Date: 27 May 2023

**K. Rajagopal**
Director
DIN: 00135666

Place: Bhilai
Date: 27 May 2023

Suraj Agrawal
**Suraj Agrawal**
Company Secretary
Membership No: 43787

Place: Bhilai
Date: 27 May 2023

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

Steel Infra Solutions Private Limited
Standalone Statement of changes in equity for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

(A) Equity share capital

Fully paid equity shares of INR 10 each

| For the year ended 31 March 2023 | 31 March 2023 No. of shares | Amount |
|---|---|---|
| Equity shares of INR 10 each issued, subscribed and fully paid | | |
| Balance as at 1 April 2022 | 3,22,88,463 | 3,229 |
| Changes in Equity Share Capital due to prior period errors | - | - |
| Restated balance as at 1 April 2022 | 3,22,88,463 | 3,229 |
| Changes in equity share capital during the current year | 36,79,230 | 368 |
| Balance as at 31 March 2023 | 3,59,67,693 | 3,597 |

| For the year ended 31 March 2022 | 31 March 2022 No. of shares | Amount |
|---|---|---|
| Equity shares of INR 10 each issued, subscribed and fully paid | | |
| Balance as at 1 April 2021 | 3,07,50,000 | 3,075 |
| Changes in Equity Share Capital due to prior period errors | - | - |
| Restated balance as at 1 April 2021 | 3,07,50,000 | 3,075 |
| Changes in equity share capital during the previous year | 15,38,463 | 154 |
| Balance as at 31 March 2022 | 3,22,88,463 | 3,229 |

Partly paid equity shares of INR 10 each

| For the year ended 31 March 2023 | 31 March 2023 No. of shares | Amount |
|---|---|---|
| Equity shares of INR 10 each issued, subscribed and fully paid | | |
| Balance as at 1 April 2022 | 65,03,086 | 163 |
| Changes in Equity Share Capital due to prior period errors | - | - |
| Restated balance as at 1 April 2022 | 65,03,086 | 163 |
| Changes in equity share capital during the current year | -36,79,230 | -87 |
| Balance as at 31 March 2023 | 28,23,856 | 76 |

| For the year ended 31 March 2022 | No. of shares | Amount |
|---|---|---|
| Equity shares of INR 10 each issued, subscribed and fully paid | | |
| Balance as at 1 April 2021 | - | - |
| Changes in Equity Share Capital due to prior period errors | - | - |
| Restated balance as at 1 April 2021 | - | - |
| Changes in equity share capital during the previous year | 65,03,086 | 163 |
| Balance as at 31 March 2022 | 65,03,086 | 163 |

(B) Other equity

For the year ended 31 March 2023

| Particulars | Note Reference | Reserve and Surplus: Capital Reserve | Securities Premium | Employee stock option outstanding | Retained Earnings | Other items of OCI Re-measurement gains/ (losses) on defined benefit plans | Total |
|---|---|---|---|---|---|---|---|
| Balance as at 1 April 2022 | | 48 | 2,602 | 4 | 2,692 | (9) | 5,337 |
| Changes in accounting policy or prior period errors | | (48) | - | - | - | - | (48) |
| Restated balance as at April 2022 | | - | 2,602 | 4 | 2,692 | (9) | 5,289 |
| Profit for the year | | - | - | - | 1,755 | | 1,755 |
| Other comprehensive income | | - | - | - | - | 11 | 11 |
| Total Comprehensive Income | | - | - | - | 1,755 | 11 | 1,766 |
| Employee stock option expense | | - | - | 2 | - | - | 2 |
| Security premium on issue of equity | | - | 3,037 | - | - | - | 3,037 |
| Balance as at 31 March 2023 | | - | 5,639 | 5 | 4,447 | 2 | 10,093 |

For the year ended 31 March 2022

| Particulars | Note Reference | Reserve and Surplus: Capital Reserve | Securities Premium | Employee stock option outstanding | Retained Earnings | Other items of OCI Re-measurement gains/ (losses) on defined benefit plans | Total |
|---|---|---|---|---|---|---|---|
| Balance as at 1 April 2021 | | - | - | - | 1,416 | - | 1,416 |
| Changes in accounting policy or prior period errors | | - | - | 1 | - | - | 1 |
| Restated balance as at 1 April 2021 | | - | - | 1 | 1,416 | - | 1,417 |
| Profit for the year | | - | - | | 1,277 | - | 1,277 |
| Other comprehensive income | | - | - | - | - | (9) | (9) |
| Total Comprehensive Income | | - | - | - | 1,277 | (9) | 1,268 |
| Employee stock option expense | | - | - | 2 | - | - | 2 |
| Security premium on issue of equity shares | | - | 2,602 | - | - | - | 2,602 |
| Government Grants | | 48 | - | - | - | - | 48 |
| Balance as at 31 March 2022 | | 48 | 2,602 | 4 | 2,692 | (9) | 5,337 |

See accompanying notes to the financial statements 1-60

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

As per our report of even date
For M S K A & Associates
Chartered Accountants
Firm Registration No.:105047W

Ananthakrishnan. G
Partner
Membership No: 205226

Place: Bhilai
Date: 27 May 2023

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of the Board of Directors of
Steel Infra Solutions Private Limited
CIN: U27300DL2017PTC324842

For Steel Infra Solutions Pvt. Ltd. SISCOL

| Ravi Uppal | K. Rajagopal | Suraj Agrawal |
|---|---|---|
| Director | Director | Company Secretary |
| DIN: 00025970 | DIN: 00135666 | Membership No: 43787 |
| Place: Bhilai | Place: Bhilai | Place: Bhilai |
| Date: 27 May 2023 | Date: 27 May 2023 | Date: 27 May 2023 |

Steel Infra Solutions Private Limited

Standalone Statement of cash flows for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

| | Year ended 31 March 2023 | Year ended 31 March 2022 |
|---|---|---|
| **Cash flow from operating activities** | | |
| Profit before tax | 2,371 | 1,789 |
| Adjustments for: | | |
| Depreciation and amortization expenses | 457 | 411 |
| Share based payment expense | 2 | - |
| Finance cost | 1,512 | 986 |
| Interest income | -119 | (86) |
| (Gain)/ loss on sale of Property, plant and equipment | -0 | - |
| Other (please specify) | - | - |
| **Operating profit/loss before working capital changes** | 4,222 | 3,100 |
| **Changes in working capital** | | |
| Increase/ (Decrease) in trade payables | 2,757 | 2,585 |
| Increase/ (Decrease) in other current liabilities | (851) | 155 |
| Increase/ (Decrease) in other non- current liabilities | (12) | |
| Increase / (Decrease) in provisions | 93 | 44 |
| Increase/ (Decrease) in other financial liabilities | - | (1) |
| Decrease/ (Increase) in inventories | 253 | (2,318) |
| Decrease/ (Increase) in trade receivables | (3,438) | (3,887) |
| Decrease/ (Increase) in other financial assets | - | (43) |
| Decrease/(Increase) in other financial assets | (437) | |
| Decrease/(Increase) in other current assets | 358 | (4,322) |
| **Cash generated from operations** | 2,944 | (4,686) |
| Income tax paid | 630 | 460 |
| **Net cash inflows/used from/in operating activities (A)** | 2,314 | (5,146) |
| **Cash flow from investing activities** | | |
| Payment for property, plant and equipment and intangible assets | (748) | (516) |
| Investment in equity shares of SISCOL Infra Private Limited | (1) | - |
| Proceeds from sale/ disposal of Property, plant and equipment | 5 | 28 |
| Proceeds on maturity of Fixed deposits | (1,000) | (1,318) |
| Interest received | 100 | 86 |
| **Net cash inflows/used from/in investing activities (B)** | (1,644) | (1,720) |
| **Cash flow from financing activities** | | |
| Proceeds from issuance of equity share capital | 3,318 | 2,918 |
| Proceeds from Borrowings | - | 312 |
| Proceeds from Capital Subsidy | - | 48 |
| Repayment of Borrowings | (811) | - |
| Repayment of Loan to Body corporate and Directors and Shareholders | (2,150) | - |
| Net proceeds from Cash credit | 600 | 3,588 |
| Interest paid | (1,589) | (986) |
| Principal paid on lease liabilities | (7) | - |
| Interest paid on lease liabilities | (2) | - |
| Other (please specify) | - | - |
| **Net cash inflows/used from/in financing activities (C)** | (641) | 5,880 |
| **Net increase/ (decrease) in cash and cash equivalents** | 29 | (986) |
| **Effects of exchange rate changes on cash and cash** | | |
| Cash and cash equivalents at the beginning of the year | 73 | 1,059 |
| Cash and cash equivalents at the end of the year | 102 | 73 |
| **Reconciliation of cash and cash equivalents as per the cash flow statement** | | |
| **Cash and cash equivalents comprise (Refer note 13)** | | |
| Balances with banks: | | |
| On current accounts | 101 | 73 |
| Cash on hand | 1 | 0 |
| **Total cash and cash equivalents at end of the year** | 102 | 73 |

See accompanying notes to the financial statements 1-60

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

As per our report of even date
**For M S K A & Associates**
Chartered Accountants
Firm Registration No.:105047W

Ananthakrishnan. G
Partner
Membership No: 205226

Place: Bhilai
Date: 27 May 2023

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For and on behalf of the Board of Directors of
**Steel Infra Solutions Private Limited**
CIN: U27300DL2017PTC324842

Ravi Uppal
Director
DIN: 00025970

Place: Bhilai
Date: 27 May 2023

K. Rajagopal
Director
DIN: 00135666

Place: Bhilai
Date: 27 May 2023

Suraj Agrawal
Company Secretary
Membership No: 43787

Place: Bhilai
Date: 27 May 2023

For Steel Infra Solutions Pvt. Ltd. SISCOL

## 1 General Information

Steel Infra Solutions Private Limited is a private limited company domiciled in India and was incorporated on 12th October 2017 under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at D-66, Ground Floor, Hauz Khas, New Delhi, 110016. The Company is primarily engaged in the business of providing end to end steel based solutions covering complete value chain of activities ranging from design, engineering, fabrication, installation at site and project management for the diverse infrastructural projects. The fabrication facilities of the Company ares located at Plot No. 31, Light Industrial Area, Bhilai, Chhattisgarh, India - 490 026 and Plot No. 22C, Heavy Industrial Area, Bhilai, Chhattisgarh, India - 490 026.

The Board of Directors approved the financial statements for the year ended 31 March 2023 and authorised for issue on 27 May 2023.

## 2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

### 2.01 Basis of Preparation of Financial Statements

(a) **Statement of Compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

Accounting policies have been consistently applied to all the years presented unless otherwise stated.

(b) **Basis of measurement**

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value or revalved value as required by relevant Ind AS:-
i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments)
ii) Share based payment transactions

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

(c) Classification between Current and Non-current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:
i. Expected to be realised or intended to be sold or consumed in normal operating cycle
ii. Held primarily for the purpose of trading
iii. Expected to be realised within twelve months after the reporting period, or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
All other assets are classified as non-current.

A liability is current when:
i. It is expected to be settled in normal operating cycle
ii. It is held primarily for the purpose of trading
iii. It is due to be settled within twelve months after the reporting period, or
iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
The Company classifies all other liabilities as non-current.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
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.

(d) **Use of estimates**

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

### 2.02 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Freehold land is carried at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can `be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

**Depreciation methods, estimated useful lives**

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

| Asset categories | Useful life in years |
|---|---|
| Building | 30 |
| Plant & Machinary | 15 |
| Furniture and fixtures | 10 |
| Electrical Installations | 10 |
| Office equipments | 5 |
| Vehicles | 8 |

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. The residual values are not more than 5% of the original cost of the asset.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.03 **Other Intangible Assets**

Intangible assets are stated at acquisition cost, net of accumulated amortization.

(a) Computer software

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Development Cost that are directly attributable to the design and testing of identifiable and unique software products are recognised as intangible assets where cretria mentioned in point (b) above are met. Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

| Intangible assets | Useful life |
|---|---|
| Computer software | 3 years |

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

2.04 **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 usually paid within 60-90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

2.05 **Revenue from**

The Company manufactures/ trades and sells a range of Fabricated Steel Structures. Revenue from contracts with customers involving sale of these products is recognized at a point in time when control of the product has been transferred, and there are no unfulfilled obligation that could affect the customer's acceptance of the products.

The Company has objective evidence that all criterion for acceptance has been satisfied.

(A) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations.

The Company considers, whether there are other promises in the contract in which there are separate performance obligations, to which a portion of the transaction price needs to be allocated.

In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any)

(B) Sale of Services

Revenues from services are recognised as and when services are rendered and on the basis of contractual terms with the parties. The performance obligation in respect of professional services is satisfied over a period of time and acceptance of the customer.

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants *

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt Ltd.

(C) Other Operating Revenue

(i)Rental Income

Rental income arising from operating leases on investment properties is accounted for on a straight - line basis over the lease terms and is included in other income in the Statement of Profit and Loss due to its non-operating nature.

(ii)Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

(D) **Contract Balances**

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. A receivables represents the Company's right to an amount of consideration that is unconditional.

Contract Liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Trade Receivable

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

**2.06 Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

Monetary Government grants, whose primary condition is that the Company should purchase, construct or otherwise acquire non current assets and are recognized and disclosed as 'deferred income' under non-current liability in the Balance Sheet and transferred to the Statement of Profit and Loss on a systematic and rational basis.

All Non-monetary grants received are recognized for both asset and grant at nominal value.

The benefit of a government loan at a rate below the market rate of interest is treated as a government grant, and is measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

**2.07 Taxes**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year/period end date. 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.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

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.

Current and deferred tax is recognized in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

2.08 **Leases**

**The Company as a lessee**

The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the group under residual value guarantees
- the exercise price of a purchase option if the group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the group exercising that option

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.09 **Inventories**

**Basis of Valuation**

Inventories are valued at lower of cost and net realizable value after providing cost of obsolescence, if any. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by-item basis.

**Method of Valuation:**

Cost of raw materials has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads and excise duty as applicable.

Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on moving weighted average basis.

Cost of traded goods has been determined by using moving weighted average cost method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

2.10 **Impairment of**

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

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. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

2.11 **Provisions and contingent liabilities**

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.12 **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include balance with banks, cash on hand, cheques/ draft on hand and short-term deposits net of bank overdraft.

2.13 **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**

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:
a) at amortized cost; or
b) at fair value through other comprehensive income; or
c) at fair value through profit or loss.
The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL

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 recognised 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 P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) **Financial liabilities**

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

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

*Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

*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 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.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

(c) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 2.14 Employee Benefits

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) **Other long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The estimated future payments which are denominated in a currency other than INR, are discounted using market yields determined by reference to high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Leaves under define benefit plans can be encashed only on discontinuation of service by employee.

(c) **Share-based payments**

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Companies' best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

For Steel Infra Solutions Pvt. Ltd.
SISCOL
Steel Infra Solutions Pvt.Ltd

MSKA & ASSOCIATES
Hyderabad
Chartered Accountants

2.15 **Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.16 **Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the Summary Statements.
The Company's operations predominantly relate to Manufacturing & Sale of fabricated steel Structures. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

2.17 **Rounding off amounts**

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

2.18 **Prior period adjustments**

During the year

- Employee stock options issued and vested till March 31, 2022 for the options granted during FY 2019 -20, 2020-21 and 2021- 22 in FY 2022-23. The above has resulted in restatement of the Retained earnings for the FY 21-22 and Opening balance of March 31, 2021 by Rs. 2.4 Lakhs and Rs. 1.2 Lakhs respectively.

- Government grant received which was previously recorded as Capital reserve (included as part of Other equity) has been de-recognized and recorded as Deferred Government grant as part of the Other non-current liabilities w.e.f April 01, 2022.

## 3 Significant accounting judgments, estimates and assumptions

3.1 **Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 36.

(b) Taxes

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

The Company neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets on the tax losses carried forward except for the unabsorbed depreciation. Refer Note 33.

(c) Defined benefit plans (gratuity benefits and compensated absences)

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer Note 35.

## 4 Standards (including amendments) issued but not yet effective

The Ministry of Corporate Affairs ("MCA") has notified Companies (Indian Accounting Standard) Amendment Rules, 2023 dated March 31, 2023 to amend certain Ind ASs which are effective from 01 April 2023:

Below is a summary of such amendments:

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt. Ltd.

(i) Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure. The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(ii) Definition of Accounting Estimates - Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The amendments are not expected to have a material impact on the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12 Income taxes

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The Company is currently assessing the impact of the amendments.

iv) The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt. Ltd.

(Amount in INR lakhs, unless otherwise stated)

## 5 Property, plant and equipment

5.(a)

| Particulars | Notes | Gross Carrying Amount: As at 1 April 2022 | Additions | Disposals | As at 31 March 2023 | Depreciation & Impairment: As at 1 April 2022 | Depreciation For the year | Disposals | As at 31 March 2023 | Net Carrying Amount: As at 31 March 2023 | As at 01 April 2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Buildings | | 2,612 | 188 | - | 2,800 | 268 | 101 | - | 369 | 2,431 | 2,344 |
| Plant and Machinery | | 3,209 | 398 | - | 3,607 | 586 | 238 | - | 824 | 2,783 | 2,623 |
| Furniture and Fixtures | | 122 | 8 | - | 130 | 40 | 14 | - | 53 | 76 | 82 |
| Vehicles | | 16 | 27 | (10) | 33 | 7 | 2 | (5) | 3 | 30 | 9 |
| Office Equipment | | 91 | 8 | - | 100 | 45 | 19 | - | 63 | 36 | 47 |
| - Electrical Installations | | 262 | 34 | - | 295 | 73 | 26 | | 99 | 196 | 189 |
| - IT Equipments | | 133 | 34 | (0) | 166 | 95 | 22 | (0) | 117 | 49 | 37 |
| | | - | | - | - | - | | - | - | - | - |
| Total | | 6,444 | 696 | (10) | 7,130 | 1,113 | 422 | (6) | 1,530 | 5,600 | 5,331 |

| Particular | Notes | Gross Carrying Amount: As at 1 April 2021 | Additions | Disposals | As at 31 March 2022 | Depreciation & Impairment: As at 1 April 2021 | Depreciation For the year | Disposals | As at 31 March 2022 | Net Carrying Amount: As at 31 March 2022 | As at 01 April 2021 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Buildings | | 2,516 | 95 | - | 2,612 | 186 | 82 | - | 268 | 2,344 | 2,331 |
| Plant and Machinery | | 2,907 | 331 | (28) | 3,209 | 387 | 199 | - | 586 | 2,623 | 2,519 |
| Furniture and Fixtures | | 116 | 6 | - | 122 | 26 | 13 | - | 40 | 82 | 90 |
| Vehicles | | 16 | - | - | 16 | 5 | 2 | - | 7 | 9 | 11 |
| Office Equipment | | 79 | 12 | - | 91 | 29 | 16 | - | 45 | 47 | 51 |
| - Electrical Installations | | 238 | 23 | - | 262 | 49 | 24 | - | 73 | 189 | 189 |
| - IT Equipments | | 117 | 16 | - | 133 | 64 | 31 | - | 95 | 37 | 53 |
| | | - | - | - | - | - | - | - | - | - | - |
| Total | | 5,990 | 482 | (28) | 6,444 | 746 | 367 | - | 1,113 | 5,331 | 5,244 |

5.01 Property, plant and equipment pledged as security
Refer to Note 17 for information on property, plant and equipment pledged as security by the Company.

5.(b) Right-of-use Assets

| Particulars | Notes | Gross Carrying Amount: As at 1 April 2022 | Additions | Disposals | As at 31 March 2023 | Depreciation & Impairment: As at 1 April 2022 | Depreciation for the year | Disposals | As at 31 March 2023 | Net Carrying Amount: As at 31 March 2023 | As at 01 April 2022 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Land | | 168 | - | - | 168 | 1 | 3 | - | 5 | 163 | 166 |
| Total | | 168 | - | - | 168 | 1 | 3 | - | 5 | 163 | 166 |

For details of Ind AS 116 disclosure refer Note 2.10.

Right-of-use Assets

| Particular | Notes | Gross Carrying Amount: As at 1 April 2021 | Additions | Disposals | As at 31 March 2022 | Depreciation & Impairment: As at 1 April 2021 | Depreciation for the year | Disposals | As at 31 March 2022 | Net Carrying Amount: As at 31 March 2022 | As at 01 April 2021 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Land | | 168 | - | - | 168 | - | 1 | - | 1 | 166 | - |
| Total | | 168 | - | - | 168 | - | 1 | - | 1 | 166 | - |

MSKA & Associates * Chartered Accountants * Hyderabad
Steel Infra Solutions Pvt. Ltd. SISCOL

## 6 Capital Work in Progress (CWIP)

| | As at 1 April 2022 | Expenditure during the year | Capitalized during the | Written off | Closing as at 31 March |
|---|---|---|---|---|---|
| Amount | 5 | - | 5 | - | - |

| | As at 1 April 2021 | Expenditure during the year | Capitalized during the | Written off | Closing as at 31 March |
|---|---|---|---|---|---|
| Amount | 8 | - | 3 | - | 5 |

Capital work in progress as at 31 March 2022 comprises expenditure incurred for extension in unit 1.

6.01 **(a) Ageing schedule**

**31-Mar-23**

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3years | More than 3 years | |
| Projects in progress | - | - | - | - | - |
| Projects temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

**31-Mar-22**

| CWIP | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3years | More than 3 years | |
| Projects in progress | 5 | - | - | - | 5 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 5 | - | - | - | 5 |

(b) There are no projects as Capital Work in Progess as at 31 March 2023 and 31 March 2022, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

## 7 Other intangible assets

| | Note | Gross Carrying Amount | | | | Amortisation & Impairment | | | | Net Carrying Amount | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 1 April 2022 | Additions | Disposals | As at 31 March 2023 | As at 1 April 2022 | Amortisation For the year | Disposals | As at 31 March 2023 | As at 31 March 2023 | As at 01 April 2022 |
| Computer Software | | 160 | 57 | - | 217 | 108 | 31 | - | 139 | 78 | 52 |
| Total | | 160 | 57 | - | 217 | 108 | 31 | - | 139 | 78 | 52 |

| | Note | Gross Carrying Amount | | | | Amortisation & Impairment | | | | Net Carrying Amount | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | As at 1 April 2021 | Additions | Disposals | As at 31 March 2022 | As at 1 April 2021 | Amortisation For the year | Disposals | As at 31 March 2022 | As at 31 March 2022 | As at 1 April 2021 |
| Computer Software | | 125 | 35 | - | 160 | 65 | 43 | - | 108 | 52 | 60 |
| Total | | 125 | 35 | - | 160 | 65 | 43 | - | 108 | 52 | 60 |

MSKA & ASSOCIATES * Chartered Accountants * Hyderabad

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

(Amount in INR lakhs, unless otherwise stated)

## 8 Financial Assets- Investments

| | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **8.01 Investment in equity instruments (fully paid-up)** | | |
| **(i) Investment in Subsidiary** | | |
| **Unquoted equity shares** | | |
| 10,000 (31 March 2022: Nil) equity shares of ₹10 each fully paid-up in SISCOL Infra Private Limited | 1 | - |
| | 1 | - |
| **Aggregate book value of:** | | |
| Unquoted investments | 1 | - |
| **Aggregate amount of impairment in value of Investments** | - | - |

## 9 Other financial assets

| | | |
|---|---|---|
| **Non -Current** | | |
| **Financial instruments at amortised cost** | | |
| Security Deposits | 115 | 107 |
| In Deposit accounts with maturity for more than 12 months ^ | 1,045 | 695 |
| | **1,159** | **802** |

^ The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

## 10 Inventories

| | | |
|---|---|---|
| Raw material (At cost) | 1,885 | 2,822 |
| Work in progress (At cost) | 3,560 | 2,665 |
| Scrap* | 22 | 2 |
| Store and spares parts (At cost) | 609 | 839 |
| Less:- Provision for Non Moving Inventory | - | - |
| | **6,076** | **6,329** |

*Scrap refers to the process wastage
Refer to Note 17 for information on inventory pledged as security by the Company.

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

Steel Infra Solutions Private Limited
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

## 11 Trade receivable

| | Current | |
|---|---|---|
| | As at31 March 2023 | As at31 March 2022 |
| Receivable from contract with customer - billed | 10,379 | 6,941 |
| | 10,379 | 6,941 |
| **Break-up of security details** | | |
| Secured, considered good | - | - |
| Unsecured | | |
| -Considered good | 10,379.07 | 6,940.69 |
| -Considered doubtful | - | - |
| Receivables which have significant increase in Credit Risk | - | - |
| Receivables credit impaired | - | - |
| Total | 10,379 | 6,941 |
| **Allowance for bad and doubtful debts** | | |
| Secured, considered good | - | - |
| Unsecured | | |
| -Considered good | - | - |
| -Considered doubtful | - | - |
| Receivables which have significant increase in Credit Risk | - | - |
| Receivables credit impaired | - | - |
| Total | - | - |
| **Total Trade Receivable** | 10,379 | 6,941 |

11.01 There are no trade receivables due from the Companies in which is having a common directors.

The net carrying value of trade receivables is considered a reasonable approximation of fair value.

11.02 The movement in allowances for doubtful receivables is as follows:

| **Particulars** | As at 31 March 2023 | As at 31 March 2022 |
|---|---|---|
| **Opening balance** | - | - |
| Additions | - | - |
| Write off (net of recovery) | - | - |
| Adjustment | - | - |
| **Closing Balance** | - | - |

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

11.03 Ageing of Trade Receivables

| As at 31 March 2023 | Current | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Particulars | Unbilled Dues | Not Due | Outstanding for following periods from due date of Receipts | | | | | |
| | | | Less than 6 months | 6 months - 1 year | 1-2 years years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered good | - | 3,077 | 7,118 | 123 | 62 | - | - | 10,379 |
| (ii) Undisputed Trade Receivables -which have significant | - | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit impaired | - | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables-considered good | - | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant | - | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - | - | - |
| Less: Allowance for bad and doubtful debts (Disputed + Undisputed) | | | | | | | | - |
| Total | | | | | | | | 10,379 |

| As at 31 March 2022 | Current | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Particulars | Unbilled Dues | Not Due | Outstanding for following periods from due date of Receipts | | | | | |
| | | | Less than 6 months | 6 months - 1 year | 1-2 years years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered good | - | 1,142 | 5,732 | 56 | 11 | - | - | 6,941 |
| (ii) Undisputed Trade Receivables -which have significant | - | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables - credit impaired | - | - | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables-considered good | - | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant | - | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables - credit impaired | - | - | - | - | - | - | - | - |
| Less: Allowance for bad and doubtful debts (Disputed + Undisputed) | | | | | | | | - |
| Total | | | | | | | | 6,941 |

Footnote:
1. There are no trade or other receivable which are either due from directors or other officers of the company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
2. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

For Steel Infra Solutions Pvt. Ltd.
SISCOL

(Amount in INR lakhs, unless otherwise stated)

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **12 Cash and cash equivalents** | | |
| Balances with banks: | | |
| in current accounts | 102 | 73 |
| Cash on hand | 1 | 0 |
| | 102 | 73 |

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of reporting period and prior periods.

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Cash and cash equivalents | | |
| Balances with banks: | | |
| On current accounts | 102 | 73 |
| Cash on hand | 1 | 0 |
| | 102 | 73 |

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **13 Bank balances other than Cash and cash equivalents*** | | |
| Deposit with maturity less than 3 months | 346 | 297 |
| Deposit with maturity for more than 3 months but less than 12 months | 927 | 1,021 |
| | 1,273 | 1,318 |

*The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

| | | |
|---|---|---|
| **14 Other financial assets** | | |
| Contract Asset | 6,272 | 5,125 |
| Accrued Interest on Fixed Deposit | 29 | 9 |
| Interest Receivable from Clients | 27 | 72 |
| Receivable from SISCOL Infra Private Limited* | 2 | - |
| | 6,331 | 5,206 |

*Refer note 39 related party transactions

| | | |
|---|---|---|
| **15 Other current assets** | | |
| Advance recoverable | 35 | 166 |
| Balance with Government authorities* | 36 | 246 |
| Prepaid Expenses | 363 | 351 |
| Accrued Commission | - | 10 |
| | 434 | 773 |

* represents Subsidy receivable / input tax credit from government authorities

Steel Infra Solutions Private Limited
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

## 16 Share capital

### 16.01 Equity shares

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Authorized** | | |
| [4,00,00,000 Shares] (31 March 2022: 3,50,00,000) Equity Shares of INR 10 each | 4,000 | 3,500 |
| | 4,000 | 3,500 |
| **Issued, subscribed and fully paid up** | | |
| [3,59,67,693 Shares ] (31 March 2022 : 3,22,88,463 ) Equity shares of INR 10 each fully paid | 3,597 | 3,229 |
| **Issued, subscribed and partly paid up** | | |
| [28,23,856 Shares ] (31 March 2022 : 65,03,086 ) Equity shares of INR 10 each | 282 | 650 |
| Calls in arrears | | |
| [26,11,990 Shares of INR 10 each 2.5 called up and received INR 7.5 in arrears] ( 31 March 2022 : 65,03,086 of INR 10 each 2.5 called up and received INR 7.5 in arrears) | (196) | (488) |
| [2,11,866 Shares of INR 10 each 5.0 called up and received INR 5.0 in arrears] ( 31 March 2022 : Nil ) | (11) | - |
| Total | 3,673 | 3,391 |

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year for Fully Paid Shares

| | 31 March 2023 | | 31 March 2022 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| Outstanding at the beginning of the year | 3,22,88,463 | 3,229 | 3,07,50,000 | 3,075 |
| Add: Movement during the year | 36,79,230 | 368 | 15,38,463 | 154 |
| Outstanding at the end of the year | 3,59,67,693 | 3,597 | 3,22,88,463 | 3,229 |

(ii) Reconciliation of equity shares outstanding at the beginning and at the end of the year for partly paid shares

| | 31 March 2023 | | 31 March 2022 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| Outstanding at the beginning of the year | 65,03,086 | 163 | - | - |
| Add: Movement during the year due to shares being fully paid up | (36,79,230) | (368) | 36,79,230 | 92 |
| Add: Calls in arrears received- INR 7.5 ( March 2022 : INR 2.5) | - | 276 | 26,11,990 | 65 |
| Add: Calls in arrears received- INR 2.5 ( March 2022 : INR 2.5 ) | - | 5 | 2,11,866 | 5 |
| Outstanding at the end of the year | 28,23,856 | 76 | 65,03,086 | 163 |

Calls in arrears to be received

| Name | No.of Shares | Unpaid | Amount |
|---|---|---|---|
| Prime Securities Ltd | 95,042 | 7.5 | 7,12,815 |
| Setu Securities Pvt Ltd | 4,23,728 | 7.5 | 31,77,960 |
| Setu Securities Pvt Ltd | 2,11,866 | 5 | 10,59,330 |
| Elimath Advisors Pvt. Ld. | 20,93,220 | 7.5 | 1,56,99,150 |
| | 28,23,856 | | 2,06,49,255 |

MSKA & ASSOCIATES * Chartered Accountants * Hyderabad

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

(iii) **Rights, preferences and restrictions attached to shares**

Equity Shares: The Company has only one class of equity shares having par value of [Rs. 10] per share. Each shareholder is entitled to one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to their shareholding.

(iv) **Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

| Name of the shareholder | 31 March 2023 | | 31 March 2022 | |
|---|---|---|---|---|
| | Number of shares | % of holding in the class | Number of shares | % of holding in the class |
| **Equity shares of INR 10 each fully paid** | | | | |
| Ravi Uppal | 71,46,219 | 18.42 | 71,46,219 | 18.42 |
| MK Ventures | 82,94,899 | 21.38 | 82,94,899 | 21.38 |
| Ranjan Sharma | 33,00,000 | 8.51 | 33,00,000 | 8.51 |
| Poonam Sharma | 26,36,195 | 6.80 | 26,36,195 | 6.8 |
| Surin Holdings | 55,19,556 | 14.23 | 55,19,556 | 14.23 |
| Meridian Investments | 22,77,184 | 5.87 | 22,77,184 | 5.87 |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(v) **Details of Shares held by Promoters at the end of the year**

| Promoter name | 31 March 2023 | | | 31 March 2022 | | |
|---|---|---|---|---|---|---|
| | No. Of Shares | % of total shares | % Change during the year | No. Of Shares | % of total shares | % Change during the year |
| Ravi Uppal | 71,46,219 | 18.4% | 0% | 71,46,219 | 18.4% | -4.02% |
| K. Rajagopal | 5,26,165 | 1.4% | 0% | 5,26,165 | 1.4% | -0.16% |
| Niladri Sarkar | 3,85,000 | 1.0% | 0% | 3,85,000 | 1.0% | -0.26% |
| Total | 80,57,384 | 20.8% | 0% | 80,57,384 | 20.8% | -4.44% |

(vi) **Details of shares held by shareholders in the Company**

| Name of the shareholder | 31 March 2023 | | 31 March 2022 | |
|---|---|---|---|---|
| | Number of shares | % of holding in the | Number of | % of holding in |
| Ravi Uppal | 71,46,219 | 18.42% | 71,46,219 | 18.42% |
| K. Rajagopal | 5,26,165 | 1.36% | 5,26,165 | 1.36% |
| Niladri sarkar | 3,85,000 | 0.99% | 3,85,000 | 0.99% |
| MK Ventures | 82,94,899 | 21.38% | 82,94,899 | 21.38% |
| Siddharth Shah | 52,885 | 0.14% | 52,885 | 0.14% |
| Tushar Bohra | 52,885 | 0.14% | 52,885 | 0.14% |
| Sumit Bhalotia | 52,885 | 0.14% | 52,885 | 0.14% |
| UAP Advisors LLP | 3,17,308 | 0.82% | 3,17,308 | 0.82% |
| Ranjan Sharma | 33,00,000 | 8.51% | 33,00,000 | 8.51% |
| Poonam Sharma | 26,36,195 | 6.80% | 26,36,195 | 6.80% |
| Star Global Resource Ltd. | 4,74,381 | 1.22% | 4,74,381 | 1.22% |
| Wharton Engineering | 1,53,846 | 0.40% | 1,53,846 | 0.40% |
| Surin Holdings | 55,19,556 | 14.23% | 55,19,556 | 14.23% |
| Krishna Fabrications P. Ltd. | 4,23,729 | 1.09% | 4,23,729 | 1.09% |
| Meridian Investments | 22,77,184 | 5.87% | 22,77,184 | 5.87% |
| Zarksis Parabia | 11,52,765 | 2.97% | 11,52,765 | 2.97% |
| Nekzad Parabia | 11,52,765 | 2.97% | 11,52,765 | 2.97% |
| Elimath Advisors Pvt. Ld. | 20,93,220 | 5.40% | 20,93,220 | 5.40% |
| Setu Securities Pvt Ltd | 8,47,458 | 2.18% | 8,47,458 | 2.18% |
| Sushma Anand Jain | 8,47,458 | 2.18% | 8,47,458 | 2.18% |
| Flute Aura Enterprises Pvt Ltd | 2,54,238 | 0.66% | 2,54,238 | 0.66% |
| Aroon Raman | 2,54,238 | 0.66% | 2,54,238 | 0.66% |
| Team India Managers Ltd | 2,11,864 | 0.55% | 2,11,864 | 0.55% |
| Narayanaswami Jayakumar | 2,11,864 | 0.55% | 2,11,864 | 0.55% |
| Prime Securities Ltd | 1,52,542 | 0.39% | 1,52,542 | 0.39% |

For Steel Infra Solutions Pvt. Ltd.
SISCOL

MSKA & ASSOCIATES Chartered Accountants Hyderabad

(vii) **Outstanding warrants impact of equity**

The company vide EGM held on 20 August 2021 Approved issue of 22,50,000 share warrants at Rs. 15 per warrant to the below Investors, its is execrisable within 24 months from the date of issue.

| S.No | Name of Warrant Holder | No.of Warrants |
|---|---|---|
| 1 | Mr. Ravi Kant Uppal | 7,86,600 |
| 2 | Mr. Kannabiran Rajagopal | 1,87,650 |
| 3 | Mr. Niladri Sarkar | 1,53,750 |
| 4 | MK Ventures | 3,68,347 |
| 5 | Mr. Siddharth Shah | 2,439 |
| 6 | Mr. Sumit Bhalotia | 2,439 |
| 7 | Mr. Tushar Bohra | 2,439 |
| 8 | UAP Advisors LLP | 14,636 |
| 9 | Mr. Ranjan Sharma | 1,46,400 |
| 10 | Wharton Engineers & Developers Pvt. Ltd. | 1,46,400 |
| 11 | Surin Holdings LLP | 2,43,900 |
| 12 | Mr. Zarksis J Parabia | 48,750 |
| 13 | Mr. Nekzad J Parabia | 48,750 |
| 14 | Mr. Siddarth Pai (As Trustee of Meridian | 97,500 |

(viii) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.

(ix) **Shares reserved for issue under options**

For details of shares reserved for issue under the Share based payment plan of the company, please refer note 36.

(x) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

## 17 Other equity

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Employee Stock options outstanding account | 5 | 4 |
| Securities premium | 5,639 | 2,602 |
| Surplus/(deficit) in the Statement of Profit and Loss | 4,447 | 2,692 |
| Capital Reserve | - | - |
| Others reserves | 2 | -9 |
| | 10,094 | 5,289 |

(A) **Employee Stock options outstanding account (ESOOA)***

| | | |
|---|---|---|
| Balance at the beginning of the year | 4 | - |
| Add: Employee stock option expense | 2 | 4 |
| Less: Transferred to general reserve on exercise of stock options | - | - |
| Less: Transferred to general reserve on forfeiture of stock options | - | - |
| | 5 | 4 |

*ESOOA recognizes the fair value of options as at the grant date spread over the vesting period. (Refer note 36)

The employee stock options reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 36 for details of these plans.

(B) Securities premium (SP)*

| | | |
|---|---|---|
| Opening balance | 2,602 | - |
| Securities Premium - Right Issue | - | 846 |
| Securities Premium - Private Placement | 3,037 | 7,023 |
| Less: Calls in arrears for Partly Paid Shares | - | (5,267) |
| Closing balance | 5,639 | 2,602 |

* Securities premium is used to record the premium on issue of shares i.e., the amount received in excess of the par value of equity shares. Security premium record premium on issue of shares to be utilized in accordance with the Act.

For Steel Infra Solutions Pvt. Ltd. SISCOL

MSKA & Associates Hyderabad Chartered Accountants

(C) **Surplus/(deficit) in the Statement of Profit and Loss**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Opening balance | 2,692 | 1,416 |
| Add: Profit for the current year | 1,755 | 1,280 |
| Adjustment for ESOP (Refer Note 2.18) | - | (4) |
| Less: Re-measurement (gain)/loss on post employment benefit obligation (net of tax) | - | - |
| **Closing balance** | **4,447** | **2,692** |

(D) Capital Reserve

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| -As at beginning of year | | |
| Government grants | - | 48 |
| Adjustment for Capital Reserve (refer note 2.18) | - | -48 |
| Closing balance | - | - |

(E) Others reserves

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| -As at beginning of year | (9) | - |
| -Re-measurement gains/ (losses) on defined benefit plans (net of tax) | 10 | (9) |
| Closing balance | 2 | (9) |

^Includes cumulative impact of amounts (net of tax effect) recognized through other comprehensive income and has not been transferred to Equity or Profit and loss, as applicable.

**18 Non-current borrowings**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| <u>Secured (refer Note i)</u> | | |
| (a) Term loan | | |
| **From HDFC Bank** | | |
| Term loan | - | 222 |
| GECL Loan | 230 | 350 |
| Equipment Loan | 109 | 128 |
| Vehicle Loan | 16 | - |
| <u>Unsecured (refer Note ii)</u> | | |
| (a) Loan from Body Corporate | - | 637 |
| (b) Loan from Directors and Shareholders | - | 1,512 |
| | 354 | 2,850 |
| Less: Amount disclosed under the hear "Other financial liabilities" (Refer note XX) | - | - |
| Less: Current maturities of Term Loan | - | (222) |
| Less: Current maturities of GECL Loan | (120) | (120) |
| Less: Current maturities of Equipment Loan | (55) | (61) |
| Less: Current maturities of Vehicle Loan | (5) | - |
| **Total non current maturities of non current borrowings** | 175 | 2,447 |

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants *

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

**Note i**

18.01 **Terms of repayment**

1. Term loan from HDFC Bank was taken during the financial year 2018-19 . Term Loan from HDFC Bank Limited with total tenor of 48 month including 12 month moratorium and 36 month repayment. Interest rate of 9.5% per annum linked to one year MCLR. for Term Loan of INR 300 Lakhs with monthly Installment of INR 8,33,333 and 9.5% linked to one year MCLR. for Term Loan of INR 700 Lakhs with monthly Installment of INR 19,44,444.

**Primary Security**

Plant & Machinery - exclusive charge on entire present & future movable fixed asset of the company.

**Secondary Security**

Current Asset - Present & Future current asset of the company Factory Land & Building - Equitable mortgage on Land & Building located at Plant at Plot No - 31, Light Industrial Area, Bhilai (C.G) Plant at Plot No - 22, Heavy Industrial Area, Bhilai (C.G) Plant & machinery - Current & future movable fixed asset of the company.

2. GECL Loan of INR 360 Lakhs from HDFC Bank was availed in FY 2020-2021 is secured by extension of existing charge. This loan carries interest rate 9.25% (FY 2021-22 : 8.25%) and repayable in 36 Montly Installment of INR 10,00,000 after 12 months moratorium.

3. Equipment Loan from Bank

Primary Security

Term Loan from HDFC Bank is secured by an exclusive charge by Hypothecation of Equipment purchased out of the said loan and the ternure of the Loan is 4 years and interest rate varies between 8.25% - 9%.

4. Vehicle Loan from HDFC Bank was taken during the financial year 2022-23 is secured by an exclusive charge by Hypothecation of Vehicle purchased out of the said loan and the tenure of the loan is 3 years(apprx). and interest rate varies between 8.35% - 8.65%.

The above loans do not carry any financial covenant. The company has not defaulted on any loans payable.

18.02 The Company has obtained vehicle loan from HDFC Bank during the financial year 2022-23. As per the Loan Agreement, the said Loan was taken for the Purpose of Purchase of Vehicles. The company has used such borrowings for the purposes as stated in the loan agreement.

**Note ii**

**Terms of Unsecured loan:**

Loans from directors and shareholders are repayable after more than one year and it is bearing an interest rate of 10% for Loan received in 2018 and 10.5% for loan received in 2021.

**Terms of Intercorporate Deposit:**

Loans from Body Corporate is repayable after more than one year and it is bearing an interest rate of 10% for Loan received in 2020 and 10.5% for Loan received in 2021.

The details of financial and non financial assets pledged as security for current and non-current borrowings are disclosed in Note 5(a), 8 and 11.

## 19 Provisions

| | Non Current | | Current | |
|---|---|---|---|---|
| | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 |
| Provision for employee benefits (Refer note 35) | | | | |
| Provision for gratuity (unfunded) | 101 | 78 | 1 | 0 |
| Provision for compensated absences (unfunde | 48 | | 7 | - |
| **Total Provisions** | 149 | 78 | 7 | 0 |

For Steel Infra Solutions Pvt. Ltd.

SISCOL

MSKA & ASSOCIATES Hyderabad Chartered Accountants

| | | 31 March 2023 | 31 March 2022 |
|---|---|---|---|
| **20 Other non-current liabilities** | | | |
| Deferred Government Grant | | 36 | 48 |
| **Total other long term liabilities** | | **36** | **48** |

| | | 31 March 2023 | 31 March 2022 |
|---|---|---|---|
| **21 Current borrowings** | | | |
| **Secured, from bank, term loan (Refer footnote i)** | | | |
| -Cash credit | | 3,699 | 3,564 |
| **Total current borrowings** | (I) | **3,699** | **3,564** |

**21.01 Terms and conditions of loans**

(i) The Company has Fund and Non- Fund Based Credit Facilities from HDFC bank vide sanction letter dated 13th June 2022 amounting to INR 6500 Lakhs of Fund Based facility bearing interest rate of 9.25% and INR 23,500 Lakhs of Non Fund Based Facility.(31 March 2022: INR 4,000 Lakhs of Fund Based facility bearing interest rate of 7.75% and INR 15,000 Lakhs of Non Fund Based Facility,) and from ICICI Bank vide sanction letter dated 14th June 2022 amounting to INR 1500 Lakhs of Fund Based facility bearing interest rate of I-MCLR-3M is 7.35% and Spread is 0.25% and INR 3,500 Lakhs of Non Fund Based Facility (31 March 2022: INR Nil) which are secured by pari passu first charge on Inventories and Book Debts of the company and secondary charge on Plant & Machinery - exclusive charge on entire present & future movable fixed asset of the company.

MSKA & ASSOCIATES * Chartered Accountants * Hyderabad

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

(Amount in INR lakhs, unless otherwise stated)

| 22 Trade payables | Current | |
|---|---|---|
| | 31 March 2023 | 31 March 2022 |
| Total outstanding dues of micro enterprises and small enterprises | 258 | 330 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 11,401 | 8,572 |
| **Total trade payables** | **11,659** | **8,902** |

22.01 Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

22.02 Trade Payables ageing schedule

| 31 March 2023 | Current | | | | | | |
|---|---|---|---|---|---|---|---|
| Particulars | Unbilled Dues^ | Payables Not Due | Outstanding for following periods from due date of Payment | | | | |
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | - | 88 | 170 | - | - | - | 258 |
| (ii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iii) Others | - | 10,073 | 1,328 | - | - | - | 11,401 |
| (iv)Disputed dues - Others | - | - | - | - | - | - | - |
| | | 10,161 | 1,498 | - | - | - | 11,659 |

| 31 March 2022 | Current | | | | | | |
|---|---|---|---|---|---|---|---|
| Particulars | Unbilled Dues^ | Payables Not Due | Outstanding for following periods from due date of Payment | | | | |
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | - | - | 330 | - | - | - | 330 |
| (ii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iii) Others | - | 7,942 | 620 | 10 | - | - | 8,572 |
| (iv)Disputed dues - Others | - | - | - | - | - | - | - |
| | | 7,942 | 951 | 10 | - | - | 8,902 |

22.03 Payment towards trade payables is made as per the terms and conditions of the contract / purchase orders. Generally, the average credit period on purchases is 60-90 days.

22.04 Footnotes:

Terms and conditions of the above financial liabilities:

(i) Trade payables are non-interest bearing and are normally settled on 60-90 days terms

(ii) For explanations on the Company's credit risk management processes, refer to Note 42(b).

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

**23 Other financial liabilities**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Other financial liabilities at amortised cost** | | |
| Current maturities of Term Loan | - | 222 |
| Current maturities of GECL Loan | 120 | 120 |
| Current maturities of Equipment Loan | 55 | 61 |
| Current maturities of Vehicle Loan | 5 | - |
| Interest accrued but not due on loan | 19 | 99 |
| **Total other financial liabilities** | **199** | **502** |

**24 Other current liabilities**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Statutory due payable | 284 | 57 |
| Advance from customer | 994 | 2,072 |
| **Total other current liabilities** | **1,278** | **2,130** |

**25 Current tax liabilities (net)**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Current tax payable [net of advance tax INR 538 lakhs (31 March 2022: INR 238 lakhs) | 97 | 216 |
| **Total current tax liabilities** | **97** | **216** |

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

(Amount in INR lakhs, unless otherwise stated)

## 26 Revenue from operations

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Revenue from contracts with customers (Refer Note 2.05) | | |
| -Sale of Fabricated Steel Structures | 46,640 | 32,517 |
| -Rendering of Installation Services | 3,098 | 1,875 |
| | 49,738 | 34,392 |
| Other operating revenue | | - |
| -Scrap Sales | 1,117 | 747 |
| -Freight Revenue | 316 | 56 |
| Total Revenue | **51,172** | **35,195** |

REVENUE FROM OPERATIONS

### 26.01 Revenue recognised from Contracts

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Revenue recognised from Customer contracts | 50,055 | 34,448 |
| Less:-Impairement losses regonised | - | - |
| | 50,055 | 34,448 |
| Other Contracts | 1,117 | 747 |
| Less:-Impairment losses recognised | - | - |
| | 1,117 | 747 |
| Total Revenue | 51,172 | 35,195 |

### 26.02 Disaggregate revenue information

| Geographic revenue | 31 March 2023 | 31 March 2022 |
|---|---|---|
| India | 51,172 | 35,195 |
| | **51,172** | **35,195** |

| Timing of Revenue Recognition | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Products and services transferred at a point in time | 1,434 | 803 |
| Products and services transferred over time | 49,738 | 34,392 |
| | **51,172** | **35,195** |

### 26.03 Contract balances : Following table covers the movement in contract balances during the year

| Particulars | Contract Asset | Contract Liabilities |
|---|---|---|
| Opening balance(A) | 5,125 | - |
| Add/(Less):Revenue recognised during the year | 50,055 | - |
| Add/(Less):Progress Bills raised during the year(net of adjustments) | (48,908) | - |
| Add/(Less):Impairement of contract assest | - | - |
| (a) Foreseeable loss on contract assets(net of reversable) | - | - |
| (b)ECL on contract assets(net of receivables) | - | - |
| Closing Balance (B) | 6,272 | - |

Trade Receivable represents the amount of consideration in exchange for goods or services transferred to the customers that is unconditional.

### 26.04 Remaining performance obligation:

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt. Ltd.

(Amount in INR lakhs, unless otherwise stated)

**27 Other income**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Interest income | | |
| - on fixed deposits designated as amortized cost | 119 | 86 |
| - on income taxes | - | 0 |
| -Gain on sale/disposal of property, plant and equipment (net) | 0 | - |
| -Interest From Customer | 113 | 96 |
| -Subsidy Income | 23 | - |
| **Total other income** | **255** | **181** |

**28 Cost of material consumed**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Inventory at the beginning of the year | 2,822 | 1,774 |
| Add: Purchases | 34,804 | 25,689 |
| Less: Inventory at the end of the year | 1,885 | 2,822 |
| **Total Cost of material consumed** | **35,742** | **24,641** |

**29 Changes in inventories of finished goods, stock-in-trade and work-in-progress**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Inventories at the beginning of the year** | | |
| -Work-in-progress | 2,665 | 1,614 |
| -Store and spares parts | 839 | 556 |
| -Scrap | 2 | 67 |
| Less:- Provision for Non Moving Inventory | - | - |
| | 3,507 | 2,237 |
| **Less: Inventories at the end of the year** | | |
| -Work-in-progress | 3,560 | 2,665 |
| -Store and spares parts | 609 | 839 |
| -Scrap | 22 | 2 |
| Less:- Provision for Non Moving Inventory | - | - |
| | 4,191 | 3,507 |
| **Net decrease/ (increase)** | (684) | (1,270) |

**30 Employee benefits expense**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Salaries, wages, bonus and other allowances | 2,866 | 2,555 |
| Contribution to Provident Fund and other funds (Refer Note 35) | 153 | 140 |
| Gratuity and compensated absences expenses (Refer Note 35) | 101 | 37 |
| Employee stock option scheme compensation (Refer Note 36) | 2 | - |
| Staff welfare expenses | 46 | 32 |
| **Total employee benefits expense** | **3,167** | **2,765** |

**31 Finance costs**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Interest on borrowing | 1,454 | 956 |
| Interest Expense on lease liability | 2 | - |
| Loan Processing and other charges | 55 | 29 |
| **Total finance costs** | **1,512** | **986** |

**32 Depreciation and amortization expense**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Depreciation of property, plant and equipment (Refer Note 5.(a)) | 422 | 367 |
| Amortization of intangible assets (Refer Note 7) | 31 | 43 |
| Depreciation of Right-of-use assets (Refer note 5.(b)) | 3 | 1 |
| **Total depreciation and amortization expense** | **457** | **411** |

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

## 33 Other expenses

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Electricity and water | 512 | 404 |
| Recruitment and training | 4 | 2 |
| Rent | 46 | 67 |
| Repairs and maintenance - Building | 5 | 3 |
| Repairs and maintenance - Plant & Machinery | 16 | 10 |
| Repairs and maintenance - others | 22 | 20 |
| Travel and conveyance | 218 | 192 |
| Postage and courier | 3 | 4 |
| Printing & Stationery | 13 | 9 |
| Communication, broadband and internet expenses | 19 | 15 |
| Office expenses | 32 | 24 |
| Contract Labour Charges | 1,253 | 1,114 |
| Design & Engineering Charges | 82 | 52 |
| Factory Houskeeping | 54 | 49 |
| Freight Inward | 73 | 53 |
| Freight Outward | 1,607 | 1,137 |
| Information Technology | 47 | 42 |
| Inspection Charges | 52 | 48 |
| Insurance | 33 | 25 |
| Job Work Charges | 3,569 | 2,006 |
| Material Handling | 897 | 629 |
| Other Manufacturing Expenses | 81 | 10 |
| Rate & taxes | 6 | 14 |
| Registration & Other Charges | 7 | 6 |
| Security Expenses | 74 | 50 |
| Statutory audit | 8 | 5 |
| Corporate and Social Responsibilty (CSR) expenditure (Refer Note 53) | 6 | 6 |
| Legal and professional charges* | 73 | 39 |
| Miscellaneous expenses | 51 | 21 |
| **Total other expenses** | **8,862** | **6,055** |

*Note : The following is the break-up of Auditors remuneration (exclusive of service tax)

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **As auditor:** | | |
| Statutory audit | 7 | 4 |
| Tax audit | 1 | - |
| **In other capacity:** | | |
| Certificates | - | 0 |
| Other matters | - | 1 |
| **Total** | 8 | 5 |

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt. Ltd.

## 34 Income Tax and Deferred Tax

**34.01 Income tax expense charged to the statement of profit or loss**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| - Current tax taxes | 635 | 440 |
| - Adjustments in respect of current income tax of previous year | (124) | 20 |
| - Deferred tax charge / (income) | 105 | 45 |
| Income tax expense reported in the statement of profit or loss | 616 | 505 |

**34.02 Income tax expense charged to OCI**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Net loss/(gain) on remeasurements of defined benefit plans | (4) | 3 |
| **Income tax charged to OCI** | (4) | 3 |

**34.03 Reconciliation of tax charge**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Profit before tax | 2,371 | 1,789 |
| Tax Rate | 29.12% | 27.82% |
| Income tax expense at tax rates applicable | 691 | 498 |
| **Tax effects of items that are not deductible in determining taxable income:** | | |
| - Corporate social responsibility expenditure | 6 | 6 |
| - Adjustment of tax relating to earlier periods | (124) | 20 |
| Others | 44 | (18) |
| Income tax expense | 616 | 505 |

**34.04**

| Year ended 31 March 2023 | Opening Balance | Recognised/ (reversed) in Profit or loss | Recognised/ (reversed) in other comprehensive income | closing balance |
|---|---|---|---|---|
| **Deferred tax assets** | | | | |
| On provision for employee benefits | 12 | | (4) | 8 |
| | 12 | - | (4) | 8 |
| **Deferred tax liabilities** | | | | |
| On property, plant and equipment | 355 | 81 | - | 436 |
| On Right of use assets and lease liabilities | | 24 | | 24 |
| | 355 | 105 | - | 460 |
| Deferred tax assets/liabilities, net | 342 | 105 | 4 | 452 |

| Year ended 31 March 2022 | Opening Balance | Recognised/ (reversed) in Profit or loss | Recognised/ (reversed) in other comprehensive income | closing balance |
|---|---|---|---|---|
| **Deferred tax assets** | | | | |
| On provision for gratuity | 4 | 5 | 3 | 12 |
| | 4 | 5 | 3 | 12 |
| **Deferred tax liabilities** | | | | |
| On property, plant and equipment | 301 | 54 | - | 355 |
| | 301 | 54 | - | 355 |
| Deferred tax assets/liabilities, net | 297 | 49 | (3) | 342 |

**34.05** Recognition of deferred tax asset to the extent of deferred tax liability

| **Balance sheet** | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Deferred tax asset | - | - |
| Deferred tax liabilities | 452 | 342 |
| Deferred tax assets/ (liabilities), net | 452 | 342 |

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL

**(Amount in INR lakhs, unless otherwise stated)**

**35 Earnings per share**

Basic earnings per share amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the profit before tax attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

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

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Profit attributable to equity holders** | 1,755 | 1,280 |
| Weighted average number of equity shares for basic EPS | 3,46,88,634 | 3,21,89,361 |
| Weighted average number of equity shares for diluted EPS | 3,47,26,184 | 3,22,26,803 |
| **35.01 Earning per share (equity shares, par value INR 10 each)** | | |
| Basic Earning per share (INR) | 5.06 | 3.98 |
| Diluted Earning per share (INR) | 5.05 | 3.97 |

**36 Employee benefits**

**36 Contribution to Defined Contribution Plan**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Employer's Contribution towards Provident Fund (PF) and NPS | 144 | 129 |
| Employer's Contribution towards Employee State Insurance (ESI) | 9 | 11 |
| | 153 | 140 |

**36 Defined benefit plans**
a) Gratuity payable to employees

| i) **Actuarial assumptions** | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Discount rate (per annum) | 7.36% | 7.18% |
| Rate of increase in Salary | 5.00% | 5.00% |
| Attrition rate | | |
| Up to 30 years | 3% | 3% |
| From 31 to 44 years | 2% | 2% |
| Above 44 years | 1% | 1% |

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

ii) **Changes in the present value of defined benefit obligation**

| | Employee's gratuity fund | |
|---|---|---|
| | 31 March 2023 | 31 March 2022 |
| **Present value of obligation at the beginning of the** | 78 | 33 |
| Interest cost | 6 | 2 |
| Service cost | 33 | 31 |
| Curtailments | - | - |
| Settlements | - | - |
| Benefits paid | - | - |
| Actuarial (gains) / losses on Obligation | (15) | 12 |
| **Present value of obligation at the end of the year*** | 102 | 78 |

*Included in provision for employee benefits (Refer note 19)

iii) **Expense recognized in the Statement of Profit and**

| | Employee's gratuity fund | |
|---|---|---|
| | 31 March 2023 | 31 March 2022 |
| Service cost | 33 | 31 |
| Interest cost | 6 | 2 |
| Expected return on plan assets | - | - |
| Actuarial (gains) / losses on Obligation | (15) | 12 |
| Return on Plan Assets excluding amount included in net | - | - |
| **Total expenses recognized in the Statement Profit and Loss*** | 24 | 45 |

*Included in Employee benefits expense (Refer Note 30).

iv) **Remeasurement (gain)/ loss recognized in other comprehensive income**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Actuarial changes arising from changes in financial assumptions | - | - |
| Actuarial changes arising from changes in experience adjustments | (12) | (12) |
| Return on Plan assets excluding amounts included in net interest expense | (3) | 24 |
| **Recognized in other comprehensive income** | (15) | 12 |

v) **Changes in the fair value of plan assets are, as follows :**

| | Employee's gratuity fund | |
|---|---|---|
| | 31 March 2023 | 31 March 2022 |
| **Opening balance of fair value of plan assets** | - | - |
| Incremental Contribution in Fund | - | - |
| Expected return on plan assets | - | - |
| Return on plan assets (excluding amounts included in net interest expense) | - | - |
| Contributions by employer | - | - |
| Benefits paid | - | - |
| **Closing balance of fair value of plan assets** | - | - |

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL

vi) **Assets and liabilities recognized in the Balance Sheet:**

| | Employee's gratuity fund | |
|---|---|---|
| | 31 March 2023 | 31 March 2022 |
| Present value of obligation as at the end of the year | 102 | 78 |
| Fair value of plan assets | - | - |
| **Net asset / (liability) recognized in Balance Sheet*** | 102 | 78 |
| Current Portion | 1 | 0 |
| Non- Current Portion | 101 | 78 |

*Included in provision for employee benefits (Refer note 18)

vii) The major categories of plan assets of the fair value of the total plan assets are as follows:

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **Investments quoted in active markets:** | | |
| Quoted equity investments | - | - |
| Manufacturing and consumer products sector | - | - |
| Telecom sector | - | - |
| **Cash and cash equivalents** | - | - |
| **Unquoted investments:** | | |
| Bonds issued by Indian Government | - | - |
| **Others, please specify** | - | - |
| **Total** | - | - |

viii) **Expected contribution to the fund in the next year**

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Gratuity | 51 | 45 |

ix) A quantitative sensitivity analysis for significant assumption as at 31 March 2023 is as shown below:

| | Employee's gratuity fund | |
|---|---|---|
| Impact on defined benefit obligation | 31 March 2023 | 31 March 2022 |
| Discount rate | | |
| 0.5% increase | (712) | (580) |
| 0.5% decrease | 788 | 645 |
| Rate of increase in salary | | |
| 0.5% increase | 803 | 656 |
| 0.5% decrease | (731) | (595) |
| Expected return on plan assets | | |
| 0.5% increase | - | |
| 0.5% decrease | - | |

MSKA & ASSOCIATES * Chartered Accountants * Hyderabad

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

x) Maturity profile of defined benefit obligation

| Year | Employee's gratuity fund 31 March 2023 | Employee's gratuity fund 31 March 2022 |
|---|---|---|
| 0 to 1 year | 79 | 22 |
| 1 to 2 year | 395 | 132 |
| 2 to 3 year | 365 | 306 |
| 3 to 4 year | 240 | 277 |
| 4 to 5 year | 288 | 161 |
| 5 to 6 year | 166 | 165 |
| 6 year onwards | 8,650 | 6,714 |

37 **Employee Stock Option Scheme (ESOP)**

The board vide its resolution dated 22 July 2019, 8 August 2020 and 20 August 2021 approved Employees Stock Option Plan 2019 (ESOP Plan), Employees Stock Option Plan 2020 (ESOP Plan) and Employees Stock Option Plan 2021 (ESOP Plan) respectively for granting Employee Stock Options in form of equity shares linked to the completion of a minimum period of continued employment to the eligible employees of the Company, monitored and supervised by the Board of Directors. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

| **Employees Stock Option Plan 2019** | 31 March 2023 | | 31 March 2022 | |
|---|---|---|---|---|
| **Particulars** | Number | WAEP (INR) | Number | WAEP (INR) |
| Options outstanding at beginning of year | 67,001 | 10 | 67,001 | 10 |
| **Add:** | | | | |
| Options granted during the year | - | - | - | - |
| **Less:** | | | - | |
| Options exercised during the year | - | - | - | - |
| Options forfeited during the year* | 8,500 | - | - | - |
| **Options outstanding at the end of year** | 58,501 | 10 | 67,001 | 10 |
| Option exercisable at the end of year | 32,000 | - | - | - |

The options outstanding at the year ending on 31 March 2023 with exercise price of Rs. 10/- are 58,501 options (31 March 2022: 67,001 options) and a weighted average remaining contractual life of all options are 0.3 years (31 March 2022: 0.8 years).

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended:

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Weighted average fair value of the options at the grant dates (INR) | 1.95 | 1.95 |
| Dividend yield (%) | 0% | 0% |
| Risk free interest rate (%) | 6.50% | 6.50% |
| Expected life of share options (years) | 3 | 3 |
| Expected volatility (%) | 1.00% | 1.00% |
| Weighted average share price (INR) | 10.18 | 10.18 |

MSKA & ASSOCIATES * Chartered Accountants * Hyderabad

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

**Employees Stock Option Plan 2020**

| Particulars | 31 March 2023 Number | 31 March 2023 WAEP (INR) | 31 March 2022 Number | 31 March 2022 WAEP (INR) |
|---|---|---|---|---|
| Options outstanding at beginning of year | 1,43,000 | 10 | 1,43,000 | 10 |
| **Add:** | | | | |
| Options granted during the year | - | - | - | 10 |
| **Less:** | | | - | |
| Options exercised during the year | - | - | - | - |
| Options forfeited during the year* | 35,000 | - | - | - |
| **Options outstanding at the end of year** | 1,08,000 | 10 | 1,43,000 | 10 |
| Option exercisable at the end of year | - | - | - | - |

The options outstanding at the year ending on 31 March 2023 with exercise price of Rs. 12/- are 108,000 options (31 March 2022: 143,000 options) and a weighted average remaining contractual life of all options are **0.35 years (31 March 2022: 1.35 years).**

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended:

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Weighted average fair value of the options at the grant dates (INR) | 1.92 | 1.92 |
| Dividend yield (%) | 0% | 0% |
| Risk free interest rate (%) | 6% | 5.81% |
| Expected life of share options (years) | 3 | 3 |
| Expected volatility (%) | 1.00% | 1.00% |
| Weighted average share price (INR) | 12 | 12 |

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year

**Employees Stock Option Plan 2021**

| Particulars | 31 March 2023 Number | 31 March 2023 WAEP (INR) | 31 March 2022 Number | 31 March 2022 WAEP (INR) |
|---|---|---|---|---|
| Options outstanding at beginning of year | 2,21,740 | 10 | - | 10 |
| **Add:** | | | | |
| Options granted during the year | - | - | 2,21,740 | 10 |
| **Less:** | | | - | |
| Options exercised during the year | - | - | - | - |
| Options forfeited during the year* | 51,750 | - | - | - |
| **Options outstanding at the end of year** | 1,69,990 | 10 | 2,21,740 | 10 |
| Option exercisable at the end of year | - | - | - | - |

The options outstanding at the year ending on 31 March 2023 with exercise price of Rs. 15/- are 169,990 options (31 March 2022: 221,740) and a weighted average remaining contractual life of all options are 1.39 **years (31 March 2022: 2.39 years).**

The fair value of each option is estimated on the date of grant using the Black Scholes model. The following tables list the inputs to the [Option pricing model] used for the years ended:

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Weighted average fair value of the options at the grant dates (INR) | 2.46 | 2.46 |
| Dividend yield (%) | 0% | 0% |
| Risk free interest rate (%) | 6.19% | 6.19% |
| Expected life of share options (years) | 3 | 3 |
| Expected volatility (%) | 1% | 1.00% |
| Weighted average share price (INR) | 14.55 | 14.55 |

Total expenses arising from Employee Stock Option Scheme (ESOP) recognised in statement of profit or loss as part of Employee Stock Option Scheme Compensation were as follows:

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Employees Stock Option Plan 2019 | 0 | 0 |
| Employees Stock Option Plan 2020 | 0 | 1 |
| Employees Stock Option Plan 2021 | 1 | 1 |
| Total Employee Stock Option Scheme Compensation | 2 | 2 |

38 **Leases where company is a lessee**

The company has taken land on lease from district induatrial corporation used in its operations

38.01 Changes in the Lease liabilities

| **Particulars** | **Category of ROU Asset** |
|---|---|
| | **Land** |
| Balance as at 1 April 2021 | 168 |
| Recognized during the year | - |
| Payments during the year | (82) |
| **Balance as at 31 March 2022** | 86 |
| Recognized during the year | - |
| Accretion of interest | 2 |
| Payments during the year | (9) |
| **Balance as at 31 March 2023** | 79 |

38.02 Break-up of current and non-current lease liabilities

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Current Lease Liabilities | 9 | 9 |
| Non-current Lease Liabilities | 70 | 77 |

38.03 Maturity analysis of lease liabilities

| **Particulars** | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Less than one year | 9 | 9 |
| One to five years | 35 | 35 |
| More than five years | 705 | 714 |
| **Total** | 748 | 75[illegible] |

As per Para B11 of Ind AS 107 Financial Instruments: Disclosure, In preparing the maturity analyse an entity uses its judgement to determine an appropriate number of time bands.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

38.04 Amounts recognised in statement of Profit and Loss account

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Interest on Lease Liabilities | 2 | - |
| Short-term leases expensed | 46 | 67 |
| **Total** | 49 | 67 |

38.05 Amounts recognised in statement of Cash Flows

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Total Cash outflow for leases | (9) | (82) |

39 **Related Party Disclosures: 31 March 2023**

In accordance with the requirements of Ind AS - 24 'Related Party Disclosures', names of the related parties, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods are:

39.01 Names of related parties and description of relationship as identified and certified by the Company:

**Subsidiary**

1. Siscol Infra Private Limited

**Key Management Personnel (KMP)**

1. Shri Ravikant Uppal (MD & CEO)
2. Shri Kannibiran Rajagopal (Wholetime Director)
3. Shri Niladri Sarkar (Wholetime Director)
4. Shri Ranjan Sharma (Non Executive Director)
5. Shri Arun Choudhari (Non Executive Director) resigned w.e.f. 31.05.2022
6. Shri Zarksis Jahangir Parabia (Non Executive Director)
7. Shri Siddharth Shashikant Bhai Shah (Non Executive Director)
8. Shri Rajesh Laddha (Non Executive Director) w.e.f 31.05.2022
9. Shri Aman Choudhari (Non Executive Director) w.e.f 31.05.2022

c) Enterprise over which Key Management Personnel exercise significant influence and with whom transactions have taken place during the year

1. Surin Holdings LLP
2. Wharton Engineering & Developers (P) Ltd.
3. Krishna Fabrications P. Ltd. (KFPL)
4. M K Ventures
5. Star Global Resource Ltd.

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

39 Details of transactions with related party in the ordinary course of business for the year ended:

| | Name of related party | Nature of Relationship | 31 March 2023 | 31 March 2022 |
|---|---|---|---|---|
| (i) | Remuneration Paid | | | |
| | 1. Shri Ravikant Uppal (MD & CEO) | KMP | 128 | 118 |
| | 2. Shri Kannibiran Rajagopal (Wholetime Director) | KMP | 105 | 94 |
| | 3. Shri Niladri Sarkar (Wholetime Director) | KMP | 84 | 75 |

39 Amount due to/from related party as on:

| | Name of related party | Nature of Relationship | 31 March 2023 | 31 March 2022 |
|---|---|---|---|---|
| (i) | Interest paid on Unsecured Loans by the Company | | | |
| | Mr Ravi Uppal | KMP | 12 | 26 |
| | Mr K. Rajagopal | KMP | 2 | 4 |
| | Mr Niladri Sarkar | KMP | 1 | 3 |
| | Mr Zarksis J Parabia | KMP | 2 | 7 |
| | Mrs Poonam Sharma | Relative | 2 | 15 |
| | Mr Nekzad J Parabia | Relative | 2 | 7 |
| | Surin holdings LLP | Enterprises controlled by Key Management Personnel | 15 | 37 |
| | Wharton Engineering & Developers Ltd. | Enterprises controlled by Key Management Personnel | 12 | 21 |
| | M/s. Star Global | Enterprises controlled by Key Management Personnel | 3 | 6 |
| (ii) | Loan Repayment | | | |
| | Mr. Ravi Uppal | KMP | 287 | 27 |
| | Mr. K. Rajagopal | KMP | 45 | 7 |
| | Mr. Niladri Sarkar | KMP | 27 | - |
| | Mr. Zarksis J Parabia | KMP | 74 | 25 |
| | Mr. Nekzad J Parabia | Relative | 74 | 25 |
| | Mrs. Poonam Sharma | Relative | 92 | 69 |
| | M/s. 3one4 Meridian Trust | Enterprises controlled by Key Management Personnel | 133 | 44 |
| | M/s. Wharton Eng & Developers Ltd | Enterprises controlled by Key Management Personnel | 161 | - |
| | M/s. Surin Holdings | Enterprises controlled by Key Management Personnel | 405 | 63 |
| | M/s. Chartered Finance & Leasing Limited | Enterprises controlled by Key Management Personnel | 637 | 91 |
| | M/s. Star Global | Enterprises controlled by Key Management Personnel | 115 | - |
| | M/s. Wharton Eng & Developmers Ltd | Enterprises controlled by Key Management Personnel | 100 | - |

MSKA & ASSOCIATES * Chartered Accountants * Hyderabad

For Steel Infra Solutions Pvt. Ltd.
SISCOL
Steel Infra Solutions Pvt.Ltd.

| | | | | |
|---|---|---|---|---|
| (iii) | **Loan Taken** | | | |
| | Mr. Ravi Uppal | KMP | - | 100 |
| | Mr. K. Rajagopal | KMP | - | 25 |
| | Mr. Zarksis J Parabia | KMP | - | 45 |
| | Mr. Nekzad J Parabia | Relative | - | 45 |
| | M/s. 3one4 Meridian Trust | Enterprises controlled by Key Management Personnel | - | 70 |
| | M/s. Star Global | Enterprises controlled by Key Management Personnel | - | 115 |
| | M/s. Wharton Eng & Developmers Ltd | Enterprises controlled by Key Management Personnel | - | 100 |
| | M/s. Surin Holdings | Enterprises controlled by Key Management Personnel | - | 200 |
| | M/s. Chartered Finance & Leasing Limited | Enterprises controlled by Key Management Personnel | - | 300 |
| (iv) | **Other Receivable -Reimbursment of expenses** | | | |
| | Siscol Infra Private Limited | Subsidiary | 2 | - |

(v) Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except for borrowings and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: Nil, 1 April 2022: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## 40 Segment reporting

40.01 The Company generates its revenue from sale of Fabricated Steel Structures and rendering of Installation services of Steel Structure. The information about revenues from external customers about each product is disclosed in Note No. 2.16

MSKA & ASSOCIATES * Chartered Accountants * Hyderabad

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

41 Fair values of financial assets and financial liabilities

| | 31 March 2023 | | 31 March 2022 | |
|---|---|---|---|---|
| | Carrying | Fair Value | Carrying Amount | Fair Value |
| **Financial assets** | | | | |
| **Financial assets valued at amortized cost** | | | | |
| Trade receivable | 10,379 | 10,379 | 6,941 | 6,941 |
| Cash and cash equivalents | 102 | 102 | 73 | 73 |
| Bank balances other than cash and cash equivalent | 1,273 | 1,273 | 1,318 | 1,318 |
| Investments (At cost) | 1 | 1 | - | - |
| Other financial assets | 7,490 | 7,490 | 6,008 | 6,008 |
| **Total financial assets** | 19,246 | 19,246 | 14,340 | 14,340 |
| **Financial liabilities** | | | | |
| **Financial Liabilities valued at amortized cost** | | | | |
| Borrowings | 3,874.11 | 3,874.11 | 6,011.20 | 6,011.20 |
| Trade payables | 11,659.16 | 11,659.16 | 8,902.49 | 8,902.49 |
| Lease Liability | 78.94 | 78.94 | 85.71 | 85.71 |
| Other financial Liabilities | 198.60 | 198.60 | 502.49 | 502.49 |
| **Total financial liabilities** | 15,810.81 | 15,810.81 | 15,501.90 | 15,501.90 |

The fair value of other current financial assets, cash and cash equivalents (includes Bank balances other than cash and cash equivalent), trade receivables ,investments, trade payables, lease liabilities, borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

42 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

•Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
•Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
•Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

The carrying amount of cash and cash equivalents(includes Bank balances other than cash and cash equivalent), trade receivables, investment, trade payables, lease liabilities and borrowings are considered to be the same as their fair values. The fair values of borrowings and security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

MSKA & ASSOCIATES * Chartered Accountants * Hyderabad

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

## 43 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

**(i) 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 exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.
The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is

| | As at | Closing balance | Effect on profit | |
|---|---|---|---|---|
| | | | 1% Increase | 1% Decrease |
| Borrowings (Impact on profit and loss) | 31 March | 374 | 3.74 | (3.74) |
| Borrowings (Impact on profit and loss) | 31 March | 2,949 | 29.49 | (29.49) |

**(ii) Price risk**
The Company invests its surplus funds in fixed deposits. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

Price sensitivity

The table below summarises the impact of increases/decreases of the index on the company's profit and loss for the year

| | As at | Closing balance | Effect on profit | |
|---|---|---|---|---|
| | | | 5% Increase | 5% Decrease |
| Investment in fixed deposits (Impact on profit and loss) | 31 March | 2,318 | 116 | -116 |
| Investment in fixed deposits (Impact on profit and loss) | 31 March | 1,318 | 66 | -66 |

**(iii) Foreign currency risk**
The company has no foreign currency receivable or payable as at 31 March 2023. Hence it is not exposed to foreign currency risk

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

### (B) 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. Credit risk arises principally from the Company's receivables from deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

MSKA & ASSOCIATES * Chartered Accountants * Hyderabad

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.

Trade receivables and contract assets

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. At 31 March 2023, the Company had 22 customers (31 March 2022: 15 customers) that owed the Company more than INR 16,651 lakhs each and accounted for approximately 100% (31 March 2022: 100%) of all the receivables and contract asset outstanding. There were nine customers (31 March 2022: seven customers) with balances greater than INR 15,587 lakhs accounting for just over 94% (31 March 2022: 95%) of the total amount receivable.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity.

The company had no instance of bad debts historically. Hence the historical loss rate is Zero accordingly no provision for ECL has been made

**Financial instruments and cash deposits**

The Company's treasury, in accordance with the board approved policy, maintains its cash and cash equivalents, bank deposits, having good reputation and past track record, and high credit rating.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

| | Less than 3 months | 3 to 12 months | 1 to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| 31 March 2023 | | | | | |
| Short term borrowings | 3,699 | - | - | - | 3,699 |
| Long-term borrowings | - | - | 175 | - | 175 |
| Lease Liability | - | 9 | 35 | 705 | 748 |
| Trade payables | 11,584 | 76 | - | | 11,659 |
| Other financial liability | 66 | 133 | - | - | 199 |
| | 15,349 | 217 | 210 | 705 | 16,480 |
| 31 March 2022 | | | | | |
| Short term borrowings | 3,564 | - | - | - | 3,564 |
| Long-term borrowings | 1,051 | 1,099 | 297 | - | 2,447 |
| Lease Liability | | 9 | 35 | 714 | 757 |
| Trade payables | 8,892 | - | 10 | - | 8,902 |
| Other financial liability | 225 | 277 | - | - | 502 |
| | 13,732 | 1,385 | 341 | 714 | 16,173 |

**44 Details of loans given, investment made and guarantee given covered u/s 186(4) of the Companies Act, 2013**

Investments made by the Company

| Sr.No. | Name of the Company | Investment made during current year | Balance as at 31 March 2023 | Investment made during previous year | Balance as at 31 March 2022 |
|---|---|---|---|---|---|
| 1 | Siscol Infra Private Limited* | 1,00,000 | 1,00,000 | - | - |

* During the year the company invested Rs. 1 lakhs towards subscription of shares 10,000 equity share of Rs. 10 each in Siscol infra private limited

**45 Details of Benami Property held**

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

46 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

31 March 2023

| Quarter | Name of bank | Particulars of Securities Provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies |
|---|---|---|---|---|---|---|
| Jun 2022 | HDFC & ICICI Bank | Inventory | 72,48,15,304 | 82,38,65,395 | (9,90,50,091) | Difference of GST Amount |
| Jun 2022 | HDFC & ICICI Bank | Trade Receivables | 1,24,90,18,526 | 1,24,90,18,526 | - | |
| Jun 2022 | HDFC & ICICI Bank | Trade Payable | 84,55,48,691 | 84,55,48,691 | - | |
| Sep 2022 | HDFC & ICICI Bank | Inventory | 66,76,48,208 | 78,77,47,124 | (12,00,98,916) | Difference of GST Amount |
| Sep 2022 | HDFC & ICICI Bank | Trade Receivables | 1,43,85,87,925 | 1,43,85,87,925 | - | |
| Sep 2022 | HDFC & ICICI Bank | Trade Payable | 1,06,35,12,886 | 1,06,35,12,886 | - | |
| Dec 2022 | HDFC & ICICI Bank | Inventory | 80,83,25,861 | 96,56,44,102 | (15,73,18,241) | Difference of GST Amount |
| Dec 2022 | HDFC & ICICI Bank | Trade Receivables | 1,28,27,15,383 | 1,28,27,15,383 | - | |
| Dec 2022 | HDFC & ICICI Bank | Trade Payable | 1,15,33,14,188 | 1,15,33,14,188 | - | |
| Mar 2023 | HDFC & ICICI Bank | Inventory | 60,75,50,600 | 72,09,83,863 | (11,34,33,263) | Difference of GST Amount |
| Mar 2023 | HDFC & ICICI Bank | Trade Receivables | 1,66,51,54,350 | 1,66,51,54,350 | - | |
| Mar 2023 | HDFC & ICICI Bank | Trade Payable | 1,16,59,16,380 | 1,16,59,16,380 | - | |

31 March 2022

| Quarter | Name of bank | Particulars of Securities Provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies |
|---|---|---|---|---|---|---|
| Jun 2021 | HDFC & ICICI Bank | Inventory | 54,87,77,294 | 63,56,02,824 | (8,68,25,530) | Difference of GST Amount |
| Jun 2021 | HDFC & ICICI Bank | Trade Receivables | 71,90,81,696 | 71,90,81,696 | - | |
| Jun 2021 | HDFC & ICICI Bank | Trade Payable | 60,98,29,258 | 60,98,29,258 | - | |
| Sep 2021 | HDFC & ICICI Bank | Inventory | 52,74,17,109 | 61,01,94,187 | (8,27,77,078) | Difference of GST Amount |
| Sep 2021 | HDFC & ICICI Bank | Trade Receivables | 87,71,04,194 | 87,71,04,194 | - | |
| Sep 2021 | HDFC & ICICI Bank | Trade Payable | 59,82,66,468 | 59,82,66,468 | - | |
| Dec 2021 | HDFC & ICICI Bank | Inventory | 69,34,20,338 | 77,33,16,361 | (7,98,96,023) | Difference of GST Amount |
| Dec 2021 | HDFC & ICICI Bank | Trade Receivables | 87,49,09,536 | 87,49,09,536 | - | |
| Dec 2021 | HDFC & ICICI Bank | Trade Payable | 83,47,37,350 | 83,47,37,350 | - | |
| Mar 2022 | HDFC & ICICI Bank | Inventory | 63,28,69,918 | 66,70,52,989 | (3,41,83,071) | Difference of GST Amount |
| Mar 2022 | HDFC & ICICI Bank | Trade Receivables | 1,20,66,15,100 | 1,20,66,15,100 | - | |
| Mar 2022 | HDFC & ICICI Bank | Trade Payable | 79,44,65,516 | 64,44,54,480 | 15,00,11,036 | Provisions which are not directly attributable to Book Debts and Inventory |

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

MSKA & ASSOCIATES * Chartered Accountants * Hyderabad

47 **Wilful Defaulter**

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

48 **Relationship with Struck off Companies** under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

49 **Registration of charges or satisfaction with Registrar of Companies**

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

50 **Compliance with number of layers of companies**

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)

51 **Compliance with approved Scheme(s) of Arrangements**

The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

Steel Infra Solutions Private Limited
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

52 Ratios

| S No. | Ratio | Formula | As at 31 March 2023 | | As at 31 March 2022 | | Ratio as on | Ratio as on | Variation | Reason (If variation is more than 25%) |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | Numerator | Denominator | Numerator | Denominator | As at 31 March 2023 | As at 31 March 2022 | | |
| (a) | Current Ratio | Current Assets[(i)] / Current Liabilities[(ii)] | 24,595 | 16,948 | 20,640 | 15,324 | 1.45 | 1.35 | -8% | Not applicable |
| (b) | Debt-Equity Ratio | Total Debt[(iii)] / Shareholder's Equity | 374 | 13,766 | 2,949 | 8,681 | 0.03 | 0.34 | 92% | Repayment of Loans and Equity Infusion |
| (c ) | Debt Service Coverage Ratio | Earning available for debt Service[(iv)] / Debt Service[(v)] | 3,724 | 2,409 | 2,677 | 994 | 1.55 | 2.69 | 43% | |
| (d) | Return on Equity Ratio | Profit after tax less pref. Dividend x 100 / Average Shareholder's Equity | 1,755 | 11,223 | 1,280 | 6,610 | 0.16 | 0.19 | 19% | Not applicable |
| (e ) | Inventory Turnover Ratio | Cost of Goods Sold OR Sales / Average Inventory | 35,057 | 6,202 | 23,371 | 5,170 | 5.65 | 4.52 | -25% | |
| (f) | Trade Receivables Turnover Ratio | Net Credit Sales / Average Trade Receivables | 51,172 | 8,660 | 35,195 | 5,057 | 5.91 | 6.96 | 15% | Not applicable |
| (g) | Trade Payables Turnover Ratio | Net Credit Purchases / Average Trade Payables | 34,804 | 10,281 | 25,689 | 7,699 | 3.39 | 3.34 | -1% | Not applicable |
| (h) | Net Capital Turnover Ratio | Net Sales / Working Capital | 51,172 | 7,647 | 35,195 | 5,316 | 6.69 | 6.62 | -1% | Not applicable |
| (i) | Net Profit Ratio | Net Profit before tax / Net Sales | 2,371 | 51,172 | 1,789 | 35,195 | 0.05 | 0.05 | 9% | Not applicable |
| (j) | Return on Capital Employed | EBIT / Capital Employed[(vi)] | 3,883 | 14,592 | 2,774 | 11,972 | 0.27 | 0.23 | -15% | Not applicable |
| (k) | Return on Investment | Time Weighted Rate of Return (TWRR)[(vii)] | NA | NA | NA | NA | NA | NA | | |

Footnote:

(i) Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets + Contract Assets

(ii) Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+

(iii) Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial

(iv) Earning for Debt Service =Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(v) Debt Service = Interest & Lease Payments + Principal Repayments

(vi) Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liability

(vii) $\frac{\{MV(T1) - MV(T0) - Sum\ [C(t)]\}}{\{MV(T0) + Sum\ [W(t) * C(t)]\}}$

T1 = End of time period
T0 = Beginning of time period
t = Specific date falling between T1 and T0
MV(T1) = Market Value at T1
MV (T0) = Market Value at T0
C(t) = Cash inflow, cash outflow on specific date
W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as [T1 - t] / T1
Companies may provide ROI separately for each asset class (e.g., equity, fixed income, money market, etc.).

For Steel Infra Solutions Pvt. Ltd.
SISCOL
Steel Infra Solutions Pvt.Ltd.

MSKA & ASSOCIATES
Hyderabad
Chartered Accountants

Steel Infra Solutions Private Limited
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

53 **Undisclosed income**

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (and previous 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.

54 **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 are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

54.01

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Gross Amount required to be spent as per Section 135 of the Act | 25.28 | 14.28 |
| Add: Amount Unspent from previous years | 8.85 | 0.20 |
| Total Gross amount required to be spent during the year | 34.13 | 14.47 |

54.02

| | | |
|---|---|---|
| Amount approved by the Board to be spent during the year | 6.00 | 5.62 |

54.03 **Amount spent during the year on**

| | | |
|---|---|---|
| (i) Construction/acquisition of an asset | 1.00 | - |
| (ii) On purposes other than (i) above | 5.00 | 5.62 |

54.04 **Details related to amount spent/ unspent**

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Contribution to Trust | - | - |
| Spent on activities | 5.80 | 5.62 |
| Contribution to Programme | 0.20 | - |
| **Accrual towards unspent obligations in relation to:** | | |
| Ongoing projects | - | - |
| Other than Ongoing projects | 28.13 | 8.85 |
| **TOTAL** | 34.13 | 14.47 |

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

MSKA & ASSOCIATES Hyderabad Chartered Accountants

54.05 **Details of CSR expenditure in respect of other than ongoing projects**

| Nature of Activity | Balance unspent as at 1 April 2022 | Amount deposited in Specified Fund of Schedule VII of the Act within 6 months | Amount required to be spent during the year | Amount spent during the year | Balance unspent as at 31 March 2023 |
|---|---|---|---|---|---|
| CSR | 8.85 | - | 25.28 | 6.00 | 28.13 |

| Nature of Activity | Balance unspent as at 1 April 2021 | Amount deposited in Specified Fund of Schedule VII of the Act within 6 months | Amount required to be spent during the year | Amount spent during the year | Balance unspent as at 31 March 2022 |
|---|---|---|---|---|---|
| CSR | 0.20 | - | 14.28 | 5.62 | 8.85 |

54.06 **Disclosures on Shortfall**

| Particulars | 31 March 2023 | 31 March 2022 |
|---|---|---|
| Amount Required to be spent by the Company during the year | 34.13 | 14.47 |
| Actual Amount Spent by the Company during the year | 6.00 | 5.62 |
| Shortfall at the end of the year | 34.13 | 8.85 |
| Total of previous years shortfall | 2.85 | - |
| Reason for shortfall - State reasons for shortfall in expenditure | | |

For Steel Infra Solutions Pvt. Ltd.
SISCOL
Steel Infra Solutions Pvt.Ltd.

55 **Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

MSKA & ASSOCIATES
Hyderabad
Chartered Accountants

(Amount in INR lakhs, unless otherwise stated)

## 56 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value and to ensure the Company's ability to continue as a going concern.

The Company has not distributed any dividend to its shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowing which represents liability component of Convertible Preference Shares and current borrowing from ultimate holding company of the Company. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

| | | 31 March 2023 | 31 March 2022 |
|---|---|---|---|
| Equity | | 13,766 | 8,681 |
| Total equity | (i) | 13,766 | 8,681 |
| Borrowings other than convertible preference shares | | 374 | 2,949 |
| Less: cash and cash equivalents | | (102) | (73) |
| Total debt | (ii) | 271 | 2,876 |
| Overall financing | (iii) = (i) + (ii) | 14,038 | 11,557 |
| Gearing ratio | (ii)/ (iii) | 0.02 | 0.25 |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022.

## 57 Commitments

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| - Estimated Amount of contracts remaining to be executed on capital account [Net of Advances] | - | 22.94 |
| | - | 22.94 |

MSKA & ASSOCIATES * Hyderabad * Chartered Accountants

For Steel Infra Solutions Pvt. Ltd. SISCOL Steel Infra Solutions Pvt.Ltd.

58 **Contingent liabilities and contingent assets**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

The Company records a provision for decommissioning, restoration and similar liabilities that are recognized as cost of property, plant and equipment. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made

Contingent assets are neither recorded nor disclosed in the financial statements.

| | 31 March 2023 | 31 March 2022 |
|---|---|---|
| **a. Contingent liabilities** | | |
| Guarantees issued by the Company's Bankers on behalf of the | 8,208.46 | 4853.84 |
| | 8,208.46 | 4,853.84 |

59 **The Code on Social Security 2020**

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.
The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

60 The Company has not granted any loans or advances in the nature of loans to promoters, directors and KMPs, eitherseverally or jointly with any other person.

As per our report of even date
**For M S K A & Associates**
**Chartered Accountants**
Firm Registration No.:105047W

Ananthakrishnan. G
Partner
Membership No: 205226

Place: Bhilai
Date: 27 May 2023

For and on behalf of the Board of Directors of
**Steel Infra Solutions Private Limited**
CIN: U27300DL2017PTC324842

Ravi Uppal
Director
DIN: 00025970

Place: Bhilai
Date: 27 May 2023

K. Rajagopal
Director
DIN: 00135666

Place: Bhilai
Date: 27 May 2023

Suraj Agrawal
Company Secretary
Membership No: 43787

Place: Bhilai
Date: 27 May 2023