THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY. THIS IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA. INITIAL PUBLIC OFFERING OF EQUITY SHARES ON THE MAIN BOARD OF THE STOCK EXCHANGES IN COMPLIANCE WITH CHAPTER II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS")

(Please scan this QR Code to view the Addendum cum Corrigendum)

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Our Company was originally incorporated as 'Deepak Builders & Engineers India Private Limited', a private limited company under provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated September 11, 2017 issued by the Registrar of Companies, Central Registration Centre on behalf of Jurisdictional Registrar of Companies. Our Company then acquired the business of M/s. Deepak Builders, a partnership firm, vide a Business Takeover Agreement dated March 1, 2018. Subsequently, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders at an extraordinary general meeting held on May 25, 2022 and a fresh certificate of incorporation dated October 12, 2022 was issued by the Registrar of Companies, Delhi, recording the change in the name of our Company to 'Deepak Builders & Engineers India Limited'.

Corporate Identity Number: U45309DL2017PLC323467
Registered Office: Ahluwalia Chambers, 1st Floor, Plot No. 16 &17, Local Shopping Centre
Madangir, near Pushpa Bhawan, South Delhi, New Delhi – 110 062, India
Corporate Office: Near Lodhi Club, Shaheed Bhagat Singh Nagar
Ludhiana – 141 012, Punjab, India
Contact Person: Anil Kumar, Company Secretary and Compliance Officer; **Tel.**: +91 98759 09242
E-mail: investor@deepakbuilders.co.in; **Website**: www.deepakbuilders.co.in

NOTICE TO THE INVESTORS: ADDENDUM CUM CORRIGENDUM TO THE DRAFT RED HERRING PROSPECTUS DATED APRIL 9, 2024 FILED ON APRIL 11, 2024 ("THE ADDENDUM CUM CORRIGENDUM")
INITIAL PUBLIC OFFERING OF UP TO 14,400,000 EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF DEEPAK BUILDERS & ENGINEERS INDIA LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹[●] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION COMPRISING A FRESH ISSUE OF UP TO 12,000,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 2,400,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION ("OFFERED SHARES") BY THE SELLING SHAREHOLDERS, COMPRISING UP TO 2,160,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION BY DEEPAK KUMAR SINGAL AND UP TO 240,000 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION BY SUNITA SINGAL (COLLECTIVELY THE "SELLING SHAREHOLDERS" OR "PROMOTER SELLING SHAREHOLDERS"), ("OFFER FOR SALE", TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER WILL CONSTITUTE [●] % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI BEING THE REGIONAL LANGUAGE OF NEW DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST 2 (TWO) WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE, AND SHALL BE MADE AVAILABLE TO THE STOCK EXCHANGES FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SEBI ICDR REGULATIONS.

This Addendum cum Corrigendum is in reference to the Draft Red Herring Prospectus filed with SEBI and the Stock Exchanges in relation to the Offer. Potential Bidders may note the following:

1. The Draft Red Herring Prospectus contains Restated Financial Information of our Company as at and for the seven months period ended October 31, 2023, and as at financial year ended March 31, 2023, March 31, 2022, March 31, 2021. The chapter titled "***Financial Statements***" beginning on page 263 of the Draft Red Herring Prospectus have been updated to provide recent restated financial information of our Company, as at and for the nine months period ended December 31, 2023, and as at financial years ended March 31, 2023, March 31, 2022, March 31, 2021, prepared in accordance with Ind AS read with Section 133 of the Companies Act, 2013). The recent restated financial statements of our Company comprises the Restated Statement of Assets and Liabilities as at and for the nine months period ended December 31, 2023, and as at March 31, 2023, March 31, 2022, March 31, 2021, the restated statements of Profit and Loss (including other comprehensive income), the restated statement of changes in Equity, the Restated Cash Flow Statement as at and for the nine months period ended December 31, 2023, and for the years ended March 31, 2023, March 31, 2022, March 31, 2021, and the Summary Statement of Significant Accounting Policies, and other explanatory information prepared in terms of the requirements of sub-Section (1) of Section 26 of Part I of Chapter III of the Act; the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time..

2. To reflect the updated Restated Financial Statements, included through this Addendum cum Corrigendum, the chapters titled "***Definitions and Abbreviations***", "***Certain Conventions, use of Financial Information and Market Data and Currency of Presentation***", "***Summary of the Offer Document***", "***Risk Factors***", "***Summary Financial Statements***", "***Objects of the Offer***", "***Basis for the Offer Price***", "***Our Business***", "***Our Group Companies***", "***Other Financial Information***", "***Capitalization Statement***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operation***" beginning on pages 3, 22, 28, 36, 77, 101, 117, 200, 259, 306, 307 and 310 respectively has been suitably updated to include updated information derived from the updated Restated Financial Statements.

3. The chapter entitled "***General Information***" beginning on pages 84 of the Draft Red Herring Prospectus has been modified by deleting the reference of 'K. K. B. Management Consultants Private Limited as Advisors to the Company'.

4. The chapter entitled "***Outstanding Litigation and Material Developments***" beginning on pages 344 of the Draft Red Herring Prospectus has been updated as there has been development in the legal proceedings involving our Promoter.

Potential Bidders may note that in order to assist Bidders to obtain a complete understanding of the updated information, the updated relevant portions of the sections titled "***Definitions and Abbreviations***", "***Certain Conventions, use of Financial Information and Market Data and Currency of Presentation***", "***Summary of the Offer***

Document", "***Risk Factors***", "***General Information***" "***Summary Financial Statements***", "***Objects of the Offer***", "***Basis for the Offer Price***", "***Our Business***", "***Our Group Companies***", "***Restated Financial Statements***", "***Other Financial Information***", "***Capitalization Statement***", "***Management's Discussion and Analysis of Financial Condition and Results of Operation***" and "***Outstanding Litigation and Material Developments***" have been included in this Addendum cum corrigendum.

The above changes are to be read in conjunction with the Draft Red Herring Prospectus and accordingly their references in the Draft Red Herring Prospectus stand updated pursuant to this Addendum cum corrigendum. All updated information forming part of this Addendum cum Corrigendum will be suitably incorporated, as may be applicable, in the Red Herring Prospectus and the Prospectus, as and when filed with the Registrar of Companies, the Securities and Exchange Board of India and the Stock Exchanges. However, potential Bidders must note that this Addendum cum Corrigendum does not reflect all the changes that have occurred between the date of filing of the Draft Red Herring Prospectus and the date hereof, and accordingly does not include all the changes and/or updates that will be included in the Red Herring Prospectus and the Prospectus. potential Bidders should read the Red Herring Prospectus as and when filed with the RoC, the SEBI, and the Stock Exchanges before making an investment decision in the Offer.

All capitalised terms used in this Addendum cum Corrigendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Red Herring Prospectus.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with any applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in 'offshore transactions' in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made.

This Addendum cum Corrigendum which has been filed with SEBI and the Stock Exchanges shall be made available to the public for comments, if any, for a period of at least 21 days, from the date of such filing with SEBI and will be available on SEBI's website at www.sebi.gov.in, the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com , the website of the Company at www.deepakbuilders.co.in, and the websites of Book Running Lead Manager Fedex Securities Private Limited at www.fedsec.in

Place: Punjab

Date: May 29, 2024

For **Deepak Builders & Engineers India Limited**
On behalf of the Board of Directors
Sd/-

Anil Kumar,
Company Secretary and Compliance Officer

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE

Fedex Securities Private Limited B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai, Maharashtra - 400 057, India **Tel**: +91 81049 85249 **Email:** mb@fedsec.in **Investor Grievance Email:** mb@fedsec.in **Website**: www.fedsec.in **Contact Person:** Saipan Sanghvi / Prashant Patankar **SEBI Registration No**: INM000010163	**Kfin Technologies Limited** *(formerly known as KFin Technologies Private Limited)* Selenium, Tower B, Plot No. 31 and 32 Financial District Nanakramguda, Serilingampally Mandal Hyderabad 500 032 Telangana, India **Tel:** +91 40 6716 2222 **Contact Person:** M. Murali Krishna **Website:** www.kfintech.com **E-mail:** deepakbuilders.ipo@kfintech.com **SEBI Registration No.:** INR000000221 **Investor Grievance E-mail:**einward.ris@kfintech.com

BID / OFFER PROGRAMME	
BID / OFFER OPENS ON	[●]*
BID / OFFER CLOSES ON	[●]**#

**Our Company may, in consultation with the BRLM, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Offer Opening Date.*

***Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs 1(one) Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.*

#The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.

TABLE OF CONTENTS

DEFINITIONS AND ABBREVIATIONS

Company Related Terms

Term	Description
"Restated Financial Statements" or "Restated Financial Information"	The restated financial statements of our Company, comprising the Restated Statement of Assets and Liabilities as at and for the nine months period ended December 31, 2023, and as at March 31, 2023, March 31, 2022, March 31, 2021, the restated statements of Profit and Loss (including other comprehensive income), the restated statement of changes in Equity, the Restated Cash Flow Statement as at and for the nine months period ended December 31, 2023, and for the years ended March 31, 2023, March 31, 2022, March 31, 2021, and the Summary Statement of Significant Accounting Policies, and other explanatory information prepared in terms of the requirements of sub-Section (1) of Section 26 of Part I of Chapter III of the Act; the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended from time to time. For details, see "***Restated Financial Statements***" on page 262 of the Draft Red Herring Prospectus.

Offer Related Terms

Term	Description
"Addendum cum Corrigendum"	This Addendum cum Corrigendum dated May 29, 2024 to the draft red herring prospectus dated April 9, 2024 filed by our Company with SEBI on April 11, 2024
"Draft Red Herring Prospectus" or "DRHP"	This draft red herring prospectus dated April 9, 2024 filed by our Company with SEBI on April 11, 2024, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

The first paragraph appearing under the heading "***Financial Data***" and the heading "***Exchange Rates***" on pages 22 and 24 of the Draft Red Herring Prospectus shall stand deleted and replaced by the extracts below:

Financial Data

Unless the context requires otherwise or as otherwise stated, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Information, as at and for the nine months period ended December 31, 2023 and as at and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, comprising the restated statement of assets and liabilities as at and for the nine months period ended December 31, 2023 and as at and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, the restated statement of profit and loss and other comprehensive income, the restated statement of cash flows and restated statement of changes in equity for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, the summary statement of significant accounting policies, and other explanatory information prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the ICAI, as amended from time to time.

Exchange Rates

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

(in ₹)

Currency	Exchange rate as on December 31, 2023*	Exchange rate as on March 31, 2023	Exchange rate as on March 31, 2022	Exchange rate as on March 31, 2021
1 US$	83.12	82.22	75.81	73.50
1 GBP	106.11	89.61	99.55	100.95

Source: www.fbil.org.in and www.fedai.org.in

**December 30, 2023 & December 31, 2023 being holidays, reference rates are taken for December 29, 2023*

SUMMARY OF THE OFFER DOCUMENT

The table appearing under the heading "***Summary of Restated Financial Statements***", the headings "***Auditor's qualifications which have not been given effect to in the Restated Financial Statements***", " **Summary of contingent liabilities** ", "***Summary of Related Party Transactions and balances***" on pages 29, 30 and 31 of the Draft Red Herring Prospectus shall stand deleted and replaced by the extracts below:

Summary of Restated Financial Statements

(₹ in millions)

Particulars	As at and for the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Equity Share capital	358.81	358.81	358.81	358.81
Net Worth	1,1179.69	893.47	703.38	540.54
Revenue from Operation	3,224.65	4,334.55	3,630.52	3,107.55
Profit for the period/year	265.90	213.95	176.64	129.28
Basic EPS	7.41*	5.96	4.92	3.60
Diluted EPS	7.41*	5.96	4.92	3.60
Net Asset Value	32.88	24.90	19.60	15.06
Current Borrowing	752.47	633.94	481.51	410.98
Non-Current borrowing	745.41	331.78	314.97	257.35

**Not annualized*

For further details, see "***Restated Financial Statement***" and "***Other Financial Information***" on pages 262 and 306 of the Draft Red Herring Prospectus, respectively.

Auditor's qualifications which have not been given effect to in the Restated Financial Statements

Our Statutory Auditor have not made any qualifications in the audit report that have not been given effect to in the Restated Financial Statements.

Summary of contingent liabilities

(₹ in millions)

Particulars	As at and for the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Bank Guarantees Issued	2,654.36	2,749.09	1,375.80	1,265.70
Income Tax Demands				
1. The Income Tax Department has raised demand u/s 153I r.w.s. 143(3) of the I.T. Act, 1961 for an amount of ₹8.60 Millions relevant to A.Y. 2020-21 and the Company has filed the appeal with the Honourable CIT (Appeal) and the case is yet to be adjudicated.				

For details, see "***Restated Financial Statements***" on page 262 of this Draft Red Herring Prospectus.

Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Directors and our Promoters as on the date of this Draft Red Herring Prospectus is provided below:

Nature of Cases	Number of outstanding cases	Amount Involved* (*₹ in millions)*
Litigation involving our Company		
Criminal proceedings against our Company	4	Not ascertainable
Criminal proceedings by our Company	1	4.16
Material civil litigation against our Company	1	13.01
Material civil litigation by our Company	4	339.51
Actions by statutory or regulatory Authorities	3	Not ascertainable
Direct and indirect tax proceedings	18	94.38
Litigation involving our Directors (other than Promoter)		
Criminal proceedings against our Directors	Nil	Nil
Criminal proceedings by our Directors	Nil	Nil
Material civil litigation against our Director	Nil	Nil
Material civil litigation by our Director	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoter		
Criminal proceedings against our Promoter	1	Nil
Criminal proceedings by our Promoter	1	Nil
Material civil litigation against our Promoter	Nil	Nil
Material civil litigation by our Promoter	2	1.50
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	11	57.90

**To the extent quantifiable.*

For further details on the outstanding litigation proceedings, see "***Outstanding Litigation and Material Developments***" and "***Risk Factors***" on pages 344 and page 36, respectively of the Draft Red Herring Prospectus.

Summary of Related Party Transactions and balances

The following is the summary of transactions and balance receivable from / (payable) of our Company to related parties as at and for the nine months period ended December 31, 2023 and as at and for Fiscal 2023, Fiscal 2022 and Fiscal 2021, as per Ind AS 24 – Related Party Disclosures as per Restated Financial Statement are set forth in the table below:

S. No.	Name of Related Party	Nature of Relationship
1.	Deepak Kumar Singal	Chairman cum Managing Director
2.	Sunita Singal	Whole-time Director
3.	Akash Singal	Whole-time Director (upto October 12, 2023)
4.	Inderdev Singh	Independent Director
5.	Kashish Mittal	Independent Director
6.	Vinod Kumar Kathuria	Independent Director (w.e.f January 19, 2024)
7.	Rishabh Gupta	Chief Financial Officer (w.e.f. June 1, 2023)
8.	Anil Kumar	Company Secretary
9.	Henna Singal	Relative of KMP
10.	Deepak Singal Engineers & Builders Private Limited	Enterprise over which KMP or their Relatives are able to exercise significant influence
11.	Deepak Buildcon Infrastructure, Ludhiana	
12.	Deepak Buildcon, Mohali	
13.	Henna Enterprises Private Limited	
14.	E9 News	
15.	AKS Luxuries Infra	
16.	H & S Infra	

(₹ in millions)

Sr. No.	Particulars	As at and for the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
1.	Key Managerial Personnel				
(a)	Remuneration				
(i)	Deepak Kumar Singal	6.75	9.00	6.15	3.30
(ii)	Sunita Singal	4.50	6.00	2.40	1.10
(iii)	Rishabh Gupta	0.83	-	-	-
(iv)	Anil Kumar	0.59	0.43	-	-

Sr. No.	Particulars	As at and for the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
(b)	Rent Payments				
(i)	Deepak Kumar Singal	0.90	1.20	1.20	-
(ii)	Sunita Singal	-	0.60	0.60	-
(c)	Security Deposit Given				
(i)	Deepak Kumar Singal	70.00	-	50.00	-
(ii)	Sunita Singal	-	-	9.00	-
(d)	Unsecured Loan Accepted				
(i)	Deepak Kumar Singal	23.50	-	25.88	42.73
(e)	Unsecured Loan Repaid				
(i)	Deepak Kumar Singal	23.50	3.53	25.39	39.70
(f)	Sitting Fees				
(i)	Inderdev Singh	0.09	0.25	-	-
(ii)	Kashish Mittal	0.09	0.25	-	-
2.	Relatives of Key Managerial Personnel				
(a)	Remuneration				
(i)	Akash Singal	1.20	2.40	2.40	2.20
(ii)	Henna Singal	-	2.40	2.40	2.20
(b)	Rent Payments				
(i)	Akash Singal	-	0.60	0.60	-
(c)	Security Deposit Given				
(i)	Akash Singal	-	-	9.00	-
3.	Associate Concerns				
(a)	Sales				

Sr. No.	Particulars	As at and for the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
(i)	Deepak Singal Engineers & Builders Private Limited	10.54	42.52	70.84	63.24
(b)	Purchases				
(i)	Deepak Singal Engineers & Builders Private Limited	4.06	25.99	1.11	19.84
(c)	Advances Given (Net)				
(i)	Deepak Singal Engineers & Builders Private Limited	5.35	-	-	-
4.	Closing Balances				
(a)	Key Managerial Personnel				
(i)	Deepak Kumar Singal (Dr.)	120.00	50.00	50.00	-
(ii)	Deepak Kumar Singal (Cr.)	1.94	0.91	3.87	4.95
(iii)	Sunita Singal (Dr.)	9.00	9.00	9.00	-
(iv)	Sunita Singal (Cr.)	0.41	0.09	1.49	0.25
(c)	Relatives of KMP				
(i)	Akash Singal (Dr.)	8.46	9.00	9.00	-
(d)	Associate Concerns				
(i)	Deepak Singal Engineers & Builders Private Limited (Dr.)	5.35	10.11	42.38	-
(ii)	Deepak Buildcon Infrastructure (Dr.)	109.64	109.64	109.64	84.54
(iii)	Deepak Buildcon, Mohali (Dr.)	97.77	97.77	97.77	97.07

As certified by our Statutory Auditor M/s Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024

RISK FACTORS

The risk factor numbers 2, 3, 4, 5, 6, 7, 10, 13, 14, 15, 17, 18, 24, 27, 32 and 52 appearing in the section entitled "***Risk Factors***" on pages 38, 39, 40, 41, 42, 43, 46, 48, 49, 50, 51, 54, 55, 58 and 66, respectively, of the Draft Red Herring Prospectus shall stand deleted and replaced by the revised risk factor below and the risk factor number 56 on page 67 shall stand deleted:

2. Our portfolio of projects is concentrated in certain large-scale projects. Any delay or impediment to such projects may have adverse impact on our financial position.

As on February 29, 2024, our Company has 11 (eleven) ongoing Construction & Infrastructure Projects comprising of construction and development/redevelopment of four (4) hospitals & medical college building, three (3) railway station, two (2) road, one (1) administrative & institutional building and one (1) industrial building. Our order book, as on February 29, 2024, nine months period ended December 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, amounts to ₹12,115.68 million, ₹12,808.10 million, ₹16,578.79 million, ₹7,196.32 million and ₹5,443.40 million, respectively. However, majority of our order book value or portfolio of projects is concentrated in the manner detailed below;

No.	Particular of Work	No. of projects	Amount (₹ in million)	Percentage to total Order Book (%)
1	Hospitals & medical college building	4	1,406.14	11.61
2	Railways	3	6,362.08	52.51
3	Road Projects	2	150.51	1.24
4	Industrial Building	1	3,673.89	30.32
5	Administrative & Institutional building	1	523.06	4.32
	Total	**11**	**12,115.68**	**100.00**

Of the above projects forming part of the Order Book as on February 29, 2024, our top two projects constitute 62.75% of our total order book. Such large concentration of our portfolio, increases the potential volatility of our results of operations. For further details, see "***Our Business – Our Order Book***" on page 214 of the Draft Red Herring Prospectus. Managing and executing such large-scale projects may increase the potential relative size of cost overruns and negatively affect our operating margins. In past, we have not experienced any event of cost over run but certain delay in execution and payment of escalation claims, on account of delays in site handover, non-clearance of drawings, delayed payments, etc. on the part of our government clients. However, a few of our escalation claims for completed projects are disputed and are pending before various forum for adjudication and pending the final outcome of adjudication, such escalation claims are not considered as cost overrun. In an event of rejection of our escalation claims, we may experience cost overrun. For further details, see "***History and Certain Corporate Matters – Time/cost overrun***" on page 233 of the Draft Red Herring Prospectus and "***Outstanding Litigation and Other Material Developments***" on page 344 of the Draft Red Herring Prospectus. Also see, "***Risk Factor – Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.***" on page 37 of the Draft Red Herring Prospectus. We believe that our contract portfolio will continue to be concentrated to a similar degree in the future. If we do not achieve our expected margins or suffer losses in one or more of these large contracts, our results of operations may be adversely affected.

3. ***While we have a diversified geographical presence, our project portfolio has historically been concentrated in Punjab, India and any changes affecting the policies, laws and regulations or the political and economic environment in the region may adversely impact our business, financial condition and results of operations.***

We started our business operations primarily in Punjab and have gradually expanded to other States such as Haryana, Rajasthan and Uttarakhand and the Union Territory of Chandigarh and the National Capital Territory of Delhi. As on February 29, 2024, our ongoing projects amounts to ₹12,115.68 million out of which ₹5,006.10 million representing 41.32% of our ongoing projects is concentrated in the state of Punjab. Revenue from projects undertaken in the state of Punjab during the nine months period ended December 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021 is detailed as below:

(*₹ in million, unless stated otherwise*)

Particulars	For the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from operations	3,224.65	4,334.55	3,630.52	3,107.55
Revenue from projects in Punjab	1,054.16	638.23	1,267.22	1,232.19
% of Revenue from operations	32.69%	14.72%	34.90%	39.65%

The concentration of our business in Punjab may subject us to various risks, including but not limited to; (i) vulnerability to change of policies, laws and regulations or the political and economic environment of Punjab; (ii) interruptions on account of regional instability, adverse climatic condition or *force majeure,* etc.; (iii) perception by our potential clients that we are a regional construction company, may hamper us from competing or securing orders for large and complex projects at the national level; (iv) regional slowdown in construction activities in Punjab. While we have and we further strive to diversify across states and reduce our concentration risk, there can be no assurance that the above factors associated with Punjab will not have an adverse impact on our business. If we are unable to mitigate such concentration risk, we may not be able to develop our business effectively and our business operations, financial condition and results of operation could be adversely affected.

4. ***We derive a significant portion of our revenues from a limited number of clients. The loss of any significant clients may have an adverse effect on our business, financial condition, results of operations, and prospects.***

We derive a significant portion of our revenue from a limited number of clients. For the nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, our revenue from top five (5) and top ten (10) clients are as follows:

(in ₹ million, unless stated otherwise)

S. No.	Particulars	For the nine months period ended December 31, 2023		Fiscal-2023		Fiscal 2022		Fiscal 2021	
		Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations
1.	Revenue from Top five (5) Clients	2,958.68	91.75	3,094.37	71.39	2,723.38	75.01	2,440.38	78.53
2.	Revenue from Top ten (10) Clients	3,077.80	95.45	3,473.43	80.13	2,999.31	82.61	2,917.73	93.89

For further details, see "***Our Business – Our Order Book***" on page 214 of the Draft Red Herring Prospectus.

Significant revenue from a limited number of clients increases the potential volatility of our results and exposure to individual contract risks. We may be required to accept onerous contractual terms in our contracts for projects awarded to us by such clients. While our Company has not experienced any such instances in the past, in the event that our Company is unable to comply with its obligations as per the terms of the contract with such top five (5) clients, it would result in a substantial reduction in the number of contracts awarded by such client in future resulting in an impact on the overall business and revenue generated by the Company from such client. Further, such concentration of our business on selected projects or clients may have an adverse effect on our results of operations. We cannot assure you that we can maintain the same levels of business from our five (5) clients. Furthermore, events such as adverse market conditions, any restructuring or changes in the regulatory regime, could adversely affect our clients and consequently impact our business. While we endeavour to maintain client relationships, considering the nature of our business, we are subject to external factors such as pre-qualification, availability of tender and aggressive price bidding by peers which limits our ability to receive repeated orders from our existing clients.

We believe that our experience in the construction and infrastructure sector and ability to offer efficient completion of work has enabled us to maintain our continued eligibility and qualification for bidding for projects. However, due to certain unforeseen circumstances such as, failure to get requisite clearances and approvals or rights over a land, public interest litigations filed against the projects awarded to us, our clients may either terminate our contracts or may default and fail to pay amounts owed, which may adversely affect our Order Book and in turn, can impact our business and financial condition. During the disclosed financial period, we have not experienced any event wherein public interest litigations was filed against the projects awarded to us. Further, in the event we are unable to complete our projects within the time period prescribed under our contracts or within the extended period of contract, or the quality of our work deteriorates, then our relationship with our clients may get severed and we may not get further orders from our current clients which could adversely affect our business.

5. Construction & Infrastructure Projects are typically awarded to us on satisfaction of prescribed qualification criteria and following a competitive bidding process. Our business and our financial condition may be adversely affected if new Construction & Infrastructure Projects are not awarded to us or if contracts awarded to us are prematurely terminated.

Construction & Infrastructure Projects are typically awarded to us upon satisfaction of prescribed technical and financial qualification criteria following a competitive bidding process. While the track record, experience of project execution, service quality, technical expertise, reputation and sufficiency of financial resources are important considerations in awarding project contracts, there can be no assurance that we would be able to meet such technical and financial qualification criteria. Further, once prospective bidders satisfy the prequalification requirements of the tender, the project is usually awarded on the basis of price competitiveness of the bid. For instance, we are accredited as Class I – (Super) Contractor with Central Public Work Department, Government of India and as on the date of this Draft Red Herring Prospectus, we are pre-qualified to bid independently for single projects up to a tender value of ₹6,500.00 million. For details, see "***Government and Other Approvals***", on page 351 of the Draft Red Herring Prospectus. We generally incur costs in the preparation and submission of bids, which are one-time, non-reimbursable costs. We cannot assure you that we would bid for contracts where we have been pre-qualified to submit a bid, or that our bids when submitted, would result in projects being awarded to us.

While we strive to increase our portfolio of government contracts, we majorly face competition from large domestic construction and infrastructure development companies, which are well placed to fulfil the pre-qualification criteria. There may have been instances in the past, wherein bids made by us for Construction & Infrastructure Projects were not accepted on account of a favourable position held by our competitors. There can be no assurance that we would be able to meet such criteria in the future. If we are unable to meet the eligibility criteria and industry expectations in comparison with our competitors, we may not be successful in qualifying to bid for various future projects. Further, even if we meet the pre-qualification criteria, we cannot assure that we will be able to bid for the project/contract in the most competitive manner. These factors may limit us in getting future contracts, which may adversely affect our revenue.

Although we strive to achieve success for every bid we make, there is no guarantee that we would be successful in winning all the projects that we bid for. In case we lose on majority of bids, there could be adverse effect on our business, financial condition, cash flows, results of operations and growth prospects. Our future results of operations and cash flows can fluctuate materially from period to period depending on the timing of contract awards.

In addition, the government conducted tender processes may be subject to change in qualification criteria, unexpected delays and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all. In the event that new projects which have been announced and which we plan to bid for are not put up for tender within the announced time frame, or qualification criteria are modified such that we are unable to qualify, our business, prospects, financial condition, cash flows and results of operations could be materially and adversely affected.

The details of number of bids participated, won and lost for the nine months period ended December 31, 2023 and past three (3) Fiscals are as set out below;

Particulars	**For nine months period ended December 31, 2023**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
No of Bids Participated	1	14	22	4
No of Bids Accepted	0	4	4	1
No of Bids lost	1	6	14	2
No of Bids cancelled by the government clients	0	4	4	1
Under Evaluation	0	0	0	0

While, in past, we have been awarded projects, based on our technical qualifications and financial resources, there can be no assurance that we will continue to receive such projects in future or achieve projects of higher project value. While reputation and experience and sufficiency of financial resources are important considerations for tendering authorities' decision, there can be no assurance that we would be able to meet such qualification criteria, particularly for larger projects. Further, we are also subject to the risk of single bids where we are the only participant in the tender and as a result of which the bid is cancelled or re-tendering process may be followed. Even if we are selected as the successful bidder and are awarded the contract, our construction contracts with government clients are usually based on standard terms and conditions set out by them. Thus, we have only limited ability to negotiate the terms of these contracts, which tend to favour our government clients and we may be required to accept unusual or onerous provisions in such contracts in order to be engaged to execute such projects. These onerous conditions forming part of government contracts may have adverse effects on our profitability. Further, if payments under our contracts with the government authorities are delayed, our financial condition and result of operations may be affected on account of an effect on our working capital requirements, resulting in additional finance costs and increase in our realization cycle.

Additionally, projects awarded to us may be subject to litigation by unsuccessful bidders. In past, we have experienced such an instance of litigation which is non-material as per our Materiality policy and is ongoing as on date. The facts of the said litigation is that our Company was allotted a contract relating to development of Amritsar Aero City by Amritsar Development Authority and Others. However, a writ petition was filed before the Hon'ble High Court of Punjab and Haryana challenging the tender process and we were impleaded as one of the respondents in the writ petition. Subsequently the project was cancelled. As on date, we have filed a claim petition before the Hon'ble High Court of Punjab and Haryana for amount of work completed and the matter is pending. Also see, "***Risk Factor – Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.***" on page 13 of the Draft Red Herring Prospectus. Such legal proceedings are extensive and time-taking and it cannot be assured that the outcome of such proceedings will be in our favour.

6. We may have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.

As part of our business and as is customary, we are required to provide financial and performance bank guarantees in favour of our clients under the respective contracts for our projects. For our projects, we typically issue bank guarantees to the relevant authority with whom the contractual arrangement has been entered into. These guarantees are typically required to be furnished within a few days of the signing of a contract and remain valid up to the completion of projects or defect liability period prescribed in that contract. The said guarantees are required by our clients to protect them against any potential breach of the contracts executed by us. Such guarantee forms major part of our contingent liability.

Depending on the number of on-going projects, the aggregate outstanding contingent liabilities, may or may not be substantial, from time to time. The details of contingent liabilities for the disclosed financial periods are mentioned below:

(*in ₹ millions*)

Particulars	As at and for the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Bank Guarantees Issued	2,654.36	2,749.09	1,375.80	1,265.70

Income Tax Demands

1. The Income Tax Department has raised demand u/s 153(C) r.w.s. 143(3) of the I.T. Act, 1961 for an amount of ₹8.60 Millions relevant to A.Y. 2020-21 and the Company has filed the appeal with the Honourable CIT (Appeal) and the case is yet to be adjudicated.

In the event any such contingent liabilities mentioned above were to materialise or, our business, financial condition and result of operations could be adversely affected. For further details, see ***"Restated Financial Statement – Note - 36 - Contingent Liabilities***" on page 259 of the Draft Red Herring Prospectus.

7. ***Our business is working capital intensive involving relatively long implementation periods. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.***

Our business requires a high amount of working capital. It is customary in the industry in which we operate to provide bank guarantees or performance bonds, earnest money deposit and security deposit in favour of customers to secure obligations under contracts. In addition, letters of credit are often required to satisfy payment obligations to suppliers and sub-contractors. Majority of the working capital funds of our Company are required for providing margin money for bank guarantee, earnest money deposit, performance deposit and security deposit, letter of credit for our Projects. Further, a certain *percentage* of our invoice amount is subject to retention by our client which is released upon completion of project or against security guarantees as per the terms of the contract. As on December 31, 2023, our Company's net working capital requirement consisted of ₹2,057.56 million. Further, as on March 31, 2023, our Company's net working capital consisted of ₹1,394.07 million as against ₹1,114.99 million as on March 31, 2022 and ₹846.72 million as on March 31, 2021. Our working capital requirements have increased in recent years because we have undertaken a growing number of projects within a similar timeframe and due to the general growth of our business. Further, our working capital requirements may further increase if our payment terms do not include advance payments or such contracts have payment schedules that shift payments toward the end of a project or if there is delayed advance payment or delay in mobilisation funds by our clients may also increase our working capital burdens. For instance, the time taken to initiate a project from the date of award generally varies between three (3) to six (6) months which results in increased net working capital requirements.

Our high working capital requirement requires us to obtain financing through various means. As on the date of this Draft Red Herring Prospectus, we meet our working capital requirements in the ordinary course of its business from capital, internal accruals, unsecured loans, working capital loans from the banks, financial institutions, etc. As on February 29, 2024, our total borrowings stood at ₹4,692.62 million (fund based and non-fund based). For details, see "***Financial Indebtedness***" on page 308 of the Draft Red Herring Prospectus. We may incur additional indebtedness in the future. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants under our financing agreements. Additional equity financing could dilute our earnings per Equity Share and investors interest in the Company and could adversely impact our Equity Share price.

Furthermore, the objects of the Offer include full or part repayment and/or prepayment of certain outstanding long-term and short-term borrowings availed by our Company. Pursuant to the terms of the borrowing arrangements, prepayment of certain indebtedness may attract prepayment charges as prescribed by the respective lender. Further, the objects of the Offer also include funding the working capital requirements of our Company. For information in relation to our management estimates and assumptions on the Objects of the Offer, see "***Objects of the Offer***" on page 101 of the Draft Red Herring Prospectus.

Our working capital requirements may be affected due to factors beyond our control including force majeure conditions, delay or default of payment by our clients, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

In past, our Company has been able to raise funds from banks as and when the need has arisen and has been regular toward its financial commitments. However, any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit facilities which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, results of operations and financial condition.

If we are unable to provide sufficient collateral to secure the bank guarantees or performance bonds, earnest money deposit and security deposit, our ability to enter into new contracts or obtain adequate supplies could be limited. We may not be able to continue obtaining new letters of credit, bank guarantees, and performance bonds in sufficient quantities to match our business requirements. Our expansion plans require significant expenditure and if we are unable to obtain necessary funds for expansion, our business may be adversely affected.

10. Our Company and its Promoters Directors are involved in litigation proceedings that may have a material adverse outcome.

There are outstanding legal proceedings involving our Company and its Promoter Directors. These proceedings are pending at different levels of adjudication before various courts.

A summary of outstanding litigation proceedings involving our Company and its Promoter Directors as on the date of this Draft Red Herring Prospectus is provided below:

(*in ₹ million*)

Nature of Cases	Number of outstanding cases	Amount involved*
Litigation involving our Company		
Criminal proceedings against our Company	4	Not ascertainable
Criminal proceedings by our Company	1	4.16
Material civil litigation against our Company	1	13.01
Material civil litigation by our Company	4	339.51
Actions by statutory or regulatory Authorities	3	Not ascertainable
Direct and indirect tax proceedings	18	94.38
Litigation involving our Directors (other than Promoter)		
Criminal proceedings against our Directors	Nil	Nil
Criminal proceedings by our Directors	Nil	Nil
Material civil litigation against our Director	Nil	Nil

Nature of Cases	Number of outstanding cases	Amount involved*
Material civil litigation by our Director	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	Nil	Nil
Litigation involving our Promoters (Promoter Directors)		
Criminal proceedings against our Promoters	1	Nil
Criminal proceedings by our Promoters	1	Nil
Material civil litigation against our Promoters	Nil	Nil
Material civil litigation by our Promoters	2	1.50
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	11	57.90

**To the extent quantifiable.*

Additionally, in past, the Directorate of Enforcement (Jalandhar), Ministry of Finance, Government of India ("**ED**") passed an adjudication order bearing number DD/JL/02/2023/Unit-3/2754 against our Promoter, Deepak Kumar Singal for contravention of Foreign Exchange Management Act, 1999 ("**FEMA**") with respect to purchase of a foreign asset, to the extent of ₹ 31,553,029.50. Upon receipt of requisite documents and communication from Deepak Kumar Singal, penalty amounting to ₹3,100,000 was imposed on Deepak Kumar Singal. Deepak Kumar Singal having acknowledged his contraventions deposited the amount of penalty on February 12, 2024.

Also, our Promoters have been subject to search and inspection from the Income Tax Department in the Fiscal 2014. For details, please see "***Outstanding Litigation and Material Developments - Litigation involving our Promoters - Material civil proceedings - Litigation filed by our Promoters***" on page 348.

Further, Deepak Kumar Singal was been arrested on May 22, 2024 and sent to judicial custody. Deepak Kumar Singal has filed a writ petition bearing number bearing number 5005 of 2024 before the Hon'ble High Court of Punjab and Haryana which was, vide its interim order dated May 28, 2024, permitted Deepak Kumar Singal to file a regular bail application before the Hon'ble High Court of Punjab and Haryana and the State was disallowed from raising any objections. For details, please see "***Litigation filed against our Promoters - Criminal proceedings - FIR bearing number 09 of 2024***", "***Litigation filed by our Promoters - Criminal proceedings - Deepak Kumar Singal vs. State of Punjab and another - 5005 of 2024***" and "***Litigation filed by our Company - Material civil proceedings - Deepak Builders and Engineers India Limited vs. Punjab Freedom Movement Memorial Foundation and Others -FAO-CARB-29-2023, CM-94-FCARB-2023, CM-95-FCARB-2023 and CM-96-FCARB-2023***".

We may be required to devote management and financial resources in the defense or prosecution of such legal proceedings. Should any new developments arise, including a change in Indian laws or rulings against us by the appellate courts or tribunals, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings, adverse to our interests, may have a material adverse effect on our business, cash flows, financial condition, and results of operations. Failure to successfully defend these or other claims, or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subject to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure you that similar proceedings will not be initiated in the future. Any adverse order or direction in these cases by the concerned authorities, even though not quantifiable, may have an adverse effect on our reputation, brand, business, results of operations and financial condition. For further details, please refer to the section "***Outstanding Litigation and Material Developments***" on page 344.

11. We own and rent equipment and mobilize such equipment at the beginning of each project resulting in increased fixed and operating costs to our Company. In the event we are not able to generate adequate cash flows it may have a material adverse impact on our operation.

We own and rent large and modern construction equipment and mobilize such equipment at the beginning of each project, resulting in increased fixed and operating costs to our Company. As on December 31, 2023, we own and maintain 397 major plant and machineries comprising of RMC, concrete mixer, boom pump, tansit mixer, JCBs, roller, mobile tower crane and containers among others. As on December 31, 2023, the aggregate gross block value of our Company's property, plant and equipment was ₹759.75 million of which gross block of plant and machinery is ₹511.76 million. In the Fiscal 2023, our Company had spent ₹93.63 million, ₹14.67 million in Fiscal 2022 and ₹28.14 million in Fiscal 2021 on plant and machinery purchase.

We also enter in rental arrangement whereby we rent the equipment on the basis of our requirement from local players. As on December 31, 2023, we rented equipment such as, JCB, tractors, cranes, etc. on rent basis as per our requirement. Our rental expense for the nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 was ₹31.36 million, ₹19.14 million, ₹14.85 million and ₹6.08 million which constituted 0.97%, 0.44%, 0.41% and 0.20% respectively, of our total revenue from operations. Further, on an average, we incur significant cost in mobilizing equipment at our project sites. For further details, see "***Our Business – Equipment***" on page 219 of the Draft Red Herring Prospectus. Accordingly, the cost of maintaining and mobilizing such equipment in proper working condition constitutes a significant portion of our operating expenses. In the event, we are unable to generate or maintain adequate revenues by successfully bidding for projects or recover payments from our customers in a timely manner or at all, it could have a material adverse effect on our financial condition and operations.

Obsolescence, destruction, theft or breakdowns of our major equipment may significantly increase our equipment purchase cost and the depreciation of our plants and equipment, as well as change the way our management estimates the useful life of our plants and equipment. In such cases, we may not be able to acquire new plants or equipment or repair the damaged plants or equipment in time or at all, particularly where our plants or equipment are not readily available from the market or requires services from original equipment manufacturers. Some of our major equipment or parts may be costly to replace or repair. Our repair expense for the nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 was ₹10.40 million, ₹9.81 million, ₹6.33 million and ₹4.63 million which constituted 0.32%, 0.23%, 0.17% and 0.15% respectively, of our revenue from operations. We may experience significant price increases towards purchase of equipment due to supply shortages, inflation, transportation difficulties or unavailability of bulk discounts. Such obsolescence, destruction, theft breakdowns, repair or maintenance failures or price increases may not be adequately covered by the insurance policies availed by our Company and may have an adverse effect on our business, cash flows, financial condition and results of operations. However, we have not faced any such instance of material nature in past three (3) Fiscals.

In the event we are unable to maintain adequate number of projects, we may not be able to keep our plants, equipment and vehicles fully utilized and it could also have a material adverse effect on our financial condition and result of operations. Our estimate of the future requirement of equipment depends on, among other things, whether and when we will be awarded new contracts. While our estimates are based upon best judgment, these estimates can be unreliable and may frequently change based upon newly available information. In the case of large-scale projects where timing is often uncertain, it is particularly difficult to predict whether or when we will be awarded the contract. The uncertainty of the contract being awarded and its timing can present difficulties in matching equipment rental with the contract needs. If a contract, is delayed or terminated, our Company could incur costs due to leasing and mobilizing such equipment, which could have a material adverse effect on our profitability, financial condition and results of operations.

13. Our ongoing projects are exposed to various implementation risks and uncertainties and may be delayed, modified or cancelled for reasons beyond our control, which may adversely affect our business, financial condition and results of operation.

As on February 29, 2024, our Company has 11 (eleven) ongoing Construction & Infrastructure Projects comprising of construction and development/redevelopment of four (4) hospitals & medical college building, three (3) railway station, two (2) road, one (1) administrative & institutional building and one (1) industrial building. Our order book, as on February 29, 2024, nine months period ended December 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, amounts to ₹12,115.68 million, ₹12,808.10 million, ₹16,578.79 million, ₹7,196.32 million and ₹5,443.40, respectively. For information in respect of our ongoing projects, see "***Our Business – Our Order Book***" on page 214 of this Draft Red Herring Prospectus.

Execution of our Projects may be delayed for the reasons beyond the control of our Company such as, delay due to delay in clients' approval on variation, design & drawings, due to extensive revision by clients, delay in handing over the land, increase in scope of work and location of work, outbreak of pendemic such as covid pandemic and nation-wide lockdown, etc. In the nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, we have experienced delays in the completion of most of our projects and such delays range between 2 months and 78 months. However, we have not been subject to penal consequences on account of these delays in completion of project.

The execution of our projects involves various implementation risks. Certain implementation risks and uncertainties that we may experience, in the conduct of our business include; (a) significant additional costs due to project delays; (b) clients seeking liquidated damages on account of failure to achieve the project timelines; (c) termination of contracts or rejection in extension of project timelines; (d) inability to avail finance required for the execution of the project at affordable costs; (e) unforeseen issues arising out of engineering designs for the projects; (f) risk of equipment failure or industrial accidents that may cause injury and loss of life, and severe damage to and destruction of property and equipment; (g) availability and price increase in relation to the materials and skilled manpower required for the execution of the project; (h) inability of the relevant authorities to fulfil their obligations, in accordance with the relevant contracts, resulting in unanticipated delays; (i) delays on account of subpar performance of the sub-contractors; (j) disputes with workers, force majeure events and unanticipated costs due to any amendments in plans and specifications, among others. Further, we may also be subject to various risks associated with regulatory approvals and financial requirements for the execution of our projects, which may render the projects unprofitable.

In past we have experienced certain instances of above risks, particularly risk mentioned in above such as (i) costs escalation due to project delays, (ii) inability of the relevant authorities to fulfil their obligations, in accordance with the relevant contracts, resulting in unanticipated delays, in general conduct of our business. For further details, see "***Outstanding Litigation and Material Developments – Litigation against our Company***" on page 344 of this Draft Red Herring Prospectus. Also see, "***Risk Factor - Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations***" on page 37 of the Draft Red Herring Prospectus. However, if all or any of these risks materialize, we may suffer significant cost overruns or even losses in our projects, which will materially and adversely affect our business, results of operation and financial condition.

While, our Company avails 'contractor all risk' insurance policies for construction projects awarded to us which provides coverage for the entire contract value, and secures risks arising from certain events such as trigger of escalation clause, third party liabilities, etc. Further, our Company has also obtained insurance for its machineries and vehicles, and have obtained professional indemnity insurance for one of our contracts as per contractual obligations. We cannot assure you that our insurance policies will cover any and all cost escalation or liabilities in connection with the development of such projects. Further, as on date, we have not obtained any insurance for two of our ongoing slow-moving projects i.e. (i) construction of centre for Interfaith Studies in Guru Nanak Dev University; Amritsar, Punjab; and (ii) construction of Two Lane ROB on NH – 74 at Haldwani, Uttarakhand. For details, see "***Risk Factor - Our insurance coverage may not be sufficient or may not adequately protect us against all or any hazards, which may adversely affect our business, results of operations and financial condition"*** on page 57 of the Draft Red Herring Prospectus . In past, we have made an insurance claim for damaged caused to girder of flyover during construction of the flyover, in one of our road project i.e. Work Order for the 'Construction of Flyover and Underpass with Service Roads at Atul Kataria Chowk on Old Delhi Jaipur Road in Gurugram' (*presently completed project*) awarded by PWD Haryana. In the said accident there was no loss of life or harm caused to any person, however our company incurred loss due to accident and against which the insurance claim was made and the claim has been honoured. Except the said accident, although there have not been any material events which have led us to claim coverage from our insurance policies, however, any liability in excess of our insurance coverage, could also result in additional costs, which would reduce our profits. If any of these risks materialize, they could adversely affect our profitability, which may in turn have an adverse effect on our overall results of operations.

Further, while our contracts with our clients have clauses which allow us to seek extension of time for completing our projects, we may for unforeseen reasons, not be able to obtain extensions for projects and thereby face delays or time overruns. For details, see "***Outstanding Litigation and Material Development***" on page 344 of the Draft Red Herring Prospectus and "***Risk Factor - Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations***" on page 37 of the Draft Red Herring Prospectus. Our clients may, as per the contractual terms, be entitled to invoke penalty provisions and/or terminate the contract in the event of delay in completion of the work if the delay is not on account of any of force majeure clauses or any agreed exceptions. With respect to some of our projects, in the event of termination for any of the aforesaid reasons, we may only receive partial payments under such agreements and such payments may be less than our estimated cash flows from such projects. If any or all of these risks materialize, we may suffer significant cost overruns or time overruns or even losses in these projects due to unanticipated increase in costs as a result of which our business, profits and results of operations will be materially and adversely affected.

14. We are required to furnish bank guarantees as part of our business. Our inability to arrange such guarantees or the invocation of such guarantees may adversely affect our cash flows and financial condition.

As part of our business and as is customary, we are required to provide financial and performance bank guarantees in favour of our clients under the respective contracts for our projects. For our projects, we typically issue bank guarantees to the relevant government authority with whom the contractual arrangement has been entered into.

These guarantees are typically required to be furnished within a few days of the signing of a contract and remain valid up to around sixty days after the completion of contract or defect liability period prescribed in that contract. In addition, letters of credit are often required to satisfy payment obligations to suppliers and sub-contractors. We may not be in a position to continue obtaining new financial and performance bank guarantees in sufficient quantities to match our business requirements. If we are unable to provide sufficient collateral to secure the financial bank guarantees, performance bank guarantees or letters of credit, our ability to enter into new contracts or obtain adequate supplies could be limited and could have a material adverse effect on our business, results of operations and financial condition. Providing security to obtain letters of credit, financial and performance bank guarantees also increases our working capital requirements.

As of December 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, we had issued bank guarantees amounting to ₹2,654.36 million, ₹2,749.09 million, ₹1,375.80 million, and ₹1,265.70 million, respectively, towards securing our financial / performance obligations under our ongoing projects. We cannot assure you that we will be able to fulfil any or all of our obligations under the contracts entered into by us in relation to our ongoing projects due to unforeseen circumstances which may result in a default under our contracts resulting in invocation of the bank guarantees issued by us. Such bank guarantees form part of our contingent liabilities. If any or all the bank guarantees are invoked, it may result in a material adverse effect on our business and financial condition. For details, see "***Risk Factor - We may have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize***" on page 42 of the Draft Red Herring Prospectus and also see the *"**Risk Factor - Our business is working capital intensive involving relatively long implementation periods. If we experience insufficient cash flows to enable us to make required payments on our debt or fund working capital requirements, there may be an adverse effect on our results of operations.**"* on page 43 of the Draft Red Herring Prospectus.

15. We have sustained negative cash flows from operating activities in the past and may experience earnings declines or operating losses or negative cash flows from operating activities in the future.

We have sustained negative cash flow used in operating activities for nine months period ended December 31, 2023, attributable to increase in inventory, payment to trade payables, payment against mobilisation advances received, increase in FDRs against bank guarantees issued etc. The following table sets forth certain information relating to our cash flows during the nine months period ended December 31, 2023, and for the Fiscals 2023, 2022 and 2021.

(₹ in million)

Particulars	**For nine months period ended December 31, 2023**	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
Net cash generated from/ (used in) operating activities	(251.05)	128.82	6.01	58.87

For further details see, "***Management's Discussion and Analysis of Financial Condition and Results of Operations - Cash Flows***" on page 338 of the Draft Red Herring Prospectus.

There can be no assurances that cash flows will be positive in the future thereby creating an adverse impact on our ability to meet working capital expenditure, repay loans without raising finance from external resources. If we are not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

17. We do not own the premises where our Registered and Corporate Office are located.

We do not own our Registered Office and Corporate Office. We have taken Registered Office on a ten (10) years lease hold basis with effect from March 20, 2023 and Corporate Office on a lease hold basis for fifteen (15) years which is registered with effect from October 1, 2023. We have taken our corporate office on lease from our

Promoter, Deepak Kumar Singal. Although, our registered office lease deed contains a provision of lock in for five (5) years, we cannot assure you that the lease arrangement for registered Office and Corporate Office would not be terminated and any such termination could result in any of our offices being shifted. If we are required to relocate our business operations, we may suffer a disruption in our operations. Further, as on December 31, 2023 our outstanding lease deposit against the lease of our corporate office is ₹120.00 million.

Additionally, our Company enters into short-term leave and license or rent agreements for land and buildings to set-up site offices basis the requirements of the projects, storage of raw materials and placement of machinery and equipment as required for the effective execution of work. We cannot assure that the rent agreement for site offices would not be terminated and we would be able to find a new arrangement on commercially acceptable terms. If we are required to relocate our site offices, we may have to pay increased charges for new property and obtain requisite shops and establishment registrations, which could have an adverse effect on our business, financial condition, cash flows and results of operations. For details in relation to our premises, see "***Our Business –Properties***" on page 222 of the Draft Red Herring Prospectus.

18. Our reliance on raw material suppliers for our business operations exposes us to a variety of risks which could materially disrupt our operations.

The timely and cost-effective execution of our projects is dependent on the adequate and timely supply of key materials. Our construction operations require various bulk construction and engineering materials including steel, cement, sand and aggregates. As a part of our procurement process, we purchase in bulk from our suppliers to avail possible volume-based discounts. However, we have not entered into any long-term contracts or supply arrangements with any of our suppliers and if, for any reason, our primary suppliers should curtail or discontinue their delivery of such materials in the quantities needed, our ability to meet our material requirements for construction contracts could be impaired, construction schedules could be disrupted, and the Company may not be able to complete construction contracts as per schedule or at such costs that were anticipated. We are also dependent upon the quality and timely delivery of our supplies from our suppliers. In past we have faced an incident where we were not provided with requisite order made by us. Our Company placed two orders for the supply of 'Induced Draught Counter Flow Cooling Tower Components' and also made the requisite payments. These orders were placed on the presumption that the supplier had the requisite quality as well as certification from the Cooling Technology Institute for the material/goods to be supplied. However, no material was supplied by the supplier against which our Company has initiated a legal action against the supplier. For further details, see "***Outstanding Litigation and Material Development***" on page 344 of the Draft Red Herring Prospectus.

Further, the Company typically uses third-party transportation providers for the supply of most its construction materials. In past, we have witnessed events of transportation strike or disturbance in road transportation due to political or social events like Indian farmers protest during year 2020-2021, however there was no material effect on the business or supplies of the Company. Disruption in transportation, could have in the future, an adverse effect on delivery of supplies. Further, transportation costs have been steadily increasing, which may result in fluctuation in the price of construction materials and may adversely affect us.

Additionally, any increases in the prices or limited availability of such construction and engineering material could have an adverse effect on us. In past, other than in the ordinary course of our business, we have not experienced any substantial increase in the prices or lack of availability of our construction and engineering materials. The cost of construction materials, fuel, labour and equipment constitutes a significant part of our operating expenses. For the nine months period ended December 31, 2023, and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, our cost of material consumed constitutes 53.73%, 66.69%, 68.67%, and 71.52%, respectively, of our revenue from operations.

The prices and supply of materials depend upon factors that are beyond our control, including but not limited to general economic conditions, transportation costs, global and domestic market prices, competition, production levels, import duties, and these prices are cyclical in nature. Our ability to pass on the increases in the purchase price of materials, fuel and other inputs may be limited in the case of contracts having limited price escalation provisions. These variations and other risks generally inherent to the construction industry may result in our profits from a project being less than as originally estimated or may result in our experiencing losses.

Though our procurement process, we may be able to negotiate bulk discounts with our suppliers due to the large sizes of our purchases, we cannot assure you that we will receive bulk discounts in our future purchases. We may need to divide our orders among several suppliers to reduce reliance on a limited number of suppliers, which may result in fewer discounts for us. Our ability to pass on increased costs may be limited under our contracts. If we are unable to pass on such unanticipated price increases to our customers, we may have to absorb such increases and our business, financial condition and results of operations may be adversely affected.

24. We may not be able to collect receivables due from our clients, in a timely manner, or at all, which may adversely affect our business, financial condition, results of operations and cash flows.

There may be delays in the collection of receivables, from our clients. For the nine months period ended December 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021, 49.05%, 26.26%, 28.21% and 18.77% of our total trade receivables, constituting ₹332.65 million, ₹256.10 million, ₹270.27 million and ₹202.21, respectively had been outstanding for a period exceeding six months from their respective due dates. For further details, see "***Restated Financial Statements***" on page 262 of the Draft Red Herring Prospectus. Of the aforesaid outstanding trade receivables an amount of ₹207.41 million, ₹207.41 million, ₹207.41 million, and ₹181.61 million is receivable from the proprietorship firm of our Promoter respectively, for the aforesaid period. We cannot assure you that we will be able to collect our third-party receivables in time or at all which may have an adverse effect on our cash flows, business, results of operations and financial condition.

In addition, we may, at times, be required to claim additional payments from our clients for additional work and costs incurred in excess of the contract price or amounts not included in the contract price. However, our clients may interpret such additional work and costs restrictively and dispute our claims, resulting in lengthy arbitration, litigation or other dispute resolution proceedings, which we cannot assure that we can recover adequately. Further, we may incur substantial costs in collecting against our debtors and such costs may not be recovered in full or at all from the debtors. We require significant working capital requirements in our business operations and such delayed collection of receivables or inadequate recovery on our claims could materially and adversely affect our business, cash flows, financial condition and results of operations.

27. Our business is manpower intensive and any unavailability of our employees or shortage of contract labour may have an adverse impact on our cash flows and results of operations.

We are dependent on our workforce for the operation of our projects. We also employ contractual labour, which provides us with readily available labours as per the requirements. We hire contract labourers depending on various factors like the location, size, duration, etc. and have several contractors providing skilled and unskilled labour at competitive prices. For further details, see "***Our Business – Human Resource***" on page 221 of the Draft Red Herring Prospectus. The expenses incurred by our Company towards our employees, other than remuneration payable to our directors (comprising salaries and wages, staff welfare expenses and contribution to the employees' provident fund and other funds) for the nine months period ended December 31, 2023 and for the Fiscals 2023, 2022 and 2021 was ₹201.13 million, ₹189.33 million, ₹156.10 million and ₹203.60 million.

The number of contract labourers employed by us varies from time to time based on the nature and extent of work we are involved in. Our dependence on such contract labour may result in insignificant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to skilled workmen at reasonable rates and in the areas in which we execute our projects. As a result, we may be required to incur additional costs to ensure timely execution of our projects.

We maintain a workforce based upon our current and anticipated workloads. If our Company does not receive future contract or if these contracts are delayed, it could incur significant costs in the interim. Our estimate of the future performance depends on, among other things, whether and when we will be awarded new contracts. While our estimates are based upon best judgment, these estimates can be unreliable and may frequently change based upon newly available information. In the case of large-scale projects where timing is often uncertain, it is particularly difficult to predict whether or when we will be awarded the contract. The uncertainty of the contract being awarded and its timing can present difficulties in matching workforce size with contract needs. If a contract, which we expect will be awarded, is delayed or not received, our Company could incur costs due to maintaining under-utilized staff and facilities, which could have a material adverse effect on our profitability, financial condition and results of operations and financial condition.

We cannot assure that the attrition of employees will not be higher in the future and we may face attrition risk in respect of our employees. Due to the nature of our work, we employ large number of employees at our project sites from the local population. Upon completion of the project at the respective sites, many employees do not wish to be relocated at our new sites and they leave for other opportunities in their local area. Due to this, we usually have to consistently appoint new employees at our new project sites who may or may not have prior experience within the industry and need to be trained.

If we are unable to retain talent required for our business or hire employees with similar talents and experience in the same cost, we may incur additional costs or we may face difficulties in our operations and performance due to lack of skilled and experienced workforce which could have a material adverse effect on our profitability, financial condition and results of operations. Additionally, unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.

32. There are certain instances of delays in payment of statutory dues. Any delay in payment of statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective government authorities, which may have an adverse impact on our financial condition and cash flows.

There have been certain instances on delay in payment of statutory dues during nine months period ended December 31, 2023, and in last three FYs fiscals, which *inter-alia* include, goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, which as on the date of this Draft Red Herring Prospectus has been deposited with relevant authorities. For instance, please see below instances of delay/ irregularity in payment of provident fund dues, ESIC and GST for the periods indicated:

The following table depicts the delays in filing of GST returns by the Company

For the Financial Year Ended	Return Type	Total number of returns filed	Delayed filings
FY 2022-23	GSTR-1	72	-

FY 2021-22	GSTR-1	64	15
FY 2020-21	GSTR-1	60	48
Nine months period ended December 31, 2023	GSTR-1	54	-
FY 2022-23	GSTR-3B	72	1
FY 2021-22	GSTR-3B	64	17
FY 2020-21	GSTR-3B	60	57
Nine months period ended December 31, 2023	GSTR-3B	54	1

Governing Tax law	Number of cases			
	For the nine months period ended December 31, 2023	**Fiscal 2023**	**Fiscal 2022**	**Fiscal 2021**
Employees Provident Fund and Miscellaneous Provisions Act, 1952	9	10	9	9
Employee State Insurance Corporation Act, 1948	9	5	-	-

There can be no assurance that such delays may not arise in future. This may lead to financial penalties from respective government authorities which may have a material adverse impact on our financial condition and cash flows.

52. We have in past entered into related party transactions and we may continue to do so in the future.

As of December 31, 2023, we have entered into a related party transaction, which are in compliance with the Companies Act, 2013 and other applicable laws. In addition, we have also entered into transactions with other related parties in the past. We confirm that the transactions with Related Parties entered into by our Company in the preceding three years have been carried out at arms' length price and are not prejudicial to the interest of our Company.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future. For further details, see "***Summary of Offer Document - Summary of Related Party Transactions"*** *and* "***Restated Financial Statements***" on page 31 and 262 of the Draft Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

RESTATED STATEMENT OF ASSETS AND LIABILITIES

Sr. No.	Particular	Notes	As at December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
I	**ASSETS**					
1	**Non-Current Assets**					
(a)	Property, Plant & Equipment and Intangibles Assets					
	(i) Property, Plant and Equipment	3	534.31	508.63	509.03	506.46
	(ii) Right of Use Asset	3(a)(i)	107.54	-	-	-
(b)	Financial Assets					
	(i) Investments	4	-	-	0.67	0.67
	(ii) Other Financial Assets	5	723.30	676.77	472.64	298.26
(c)	Other Non-Current Assets	6	409.13	268.21	220.34	36.27
	Sub-total		**1,774.28**	**1,453.61**	**1,202.68**	**841.66**
2	**Current Assets**					
(a)	Inventories	7	2,042.52	1,700.00	691.12	246.25
(b)	Financial Assets -					
	(i) Trade Receivable	8	678.24	975.08	958.00	1,077.35
	(ii) Cash & Cash Equivalents	9	61.70	31.70	2.38	47.83
(c)	Current Tax Asset (Net)	10	-	-	18.31	6.87
(d)	Other Current Assets	11	383.96	332.59	349.35	211.73
	Sub-Total		**3,166.42**	**3,039.37**	**2,019.16**	**1,590.03**
	Total Assets		**4,940.70**	**4,492.98**	**3,221.84**	**2,431.69**
II	**Equity & Liabilities**					
1	**Equity**					
(a)	Equity Share Capital	12	358.81	358.81	358.81	358.81
(b)	Other Equity	13	905.73	646.62	488.38	324.31
	Sub-Total		**1,264.54**	**1,005.43**	**847.19**	**683.12**

Sr. No.	Particular	Notes	As at December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
2	**Liabilities**					
(a)	**Non-Current Liabilities**					
(i)	Financial Liabilities					
	1. Borrowings	14	745.41	331.78	314.97	257.35
	2. Lease Liabilities	3(a)(ii)	34.94	-	-	-
	3. Other Financial Liabilities	15	15.08	15.47	9.89	9.30
(ii)	Provisions	16	10.51	6.55	4.78	-
(iii)	Other Non-Current Liabilities	17	778.15	1,031.34	395.91	328.61
(iv)	Deferred Tax Liabilities (Net)	18	16.81	23.54	44.69	48.19
	Sub-Total		**1,600.90**	**1,408.68**	**770.24**	**643.45**
(b)	**Current Liabilities**					
(i)	Financial Liabilities					
	1. Borrowing	19	752.47	633.94	481.51	410.98
	2. Lease Liabilities	3(a)(ii)	1.17	-	-	-
	3. Trade Payable	20				
	A. Dues to MSME		437.17	752.57	37.52	28.33
	B. Dues to Other than MSME		624.80	419.80	786.02	613.06
	4. Other Financial Liabilities	21	95.65	81.00	43.49	36.04
(ii)	Provisions	16	3.29	2.23	0.48	-
(iii)	Other Current Liabilities	22	150.77	185.72	255.39	16.71
(iv)	Current Tax Liabilities (Net)	23	9.94	3.61	-	-
	Sub-Total		**2,075.26**	**2,078.87**	**1,604.41**	**1,105.12**
	Total Equity & Liabilities		**4,940.70**	**4,492.98**	**3,221.84**	**2,431.69**

RESTATED STATEMENT OF PROFIT AND LOSS

S. No.	Particulars	Notes	For the nine months period December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	Continuing Operations					
I	Income					
1	Revenue from Operations (Gross)	24	3,804.82	5,073.40	4,160.01	3,510.48
	1.1Less - GST		580.17	738.85	529.49	402.93
1.2	**Revenue from Operations (Net)**		**3,224.65**	**4,334.55**	**3,630.52**	**3,107.55**
2	Other Income	25	29.92	20.05	19.35	12.83
	Total Income		**3,254.57**	**4,354.60**	**3,649.87**	**3,120.38**
II	**Expenses**					
1	Cost of Material Consumed	26	1,732.51	2,890.76	2,493.17	2,222.44
2	Construction Expenses	27	588.63	671.37	494.80	303.21
3	Employee Benefits Expenses	28	212.38	204.33	164.65	208.00
4	Finance Costs	29	223.23	185.97	165.26	138.81
5	Depreciation and Amortization Expense	30	56.52	55.70	35.99	32.80
6	Other Expenses	31	83.01	59.21	58.54	34.79
	Total Expenses		**2,896.28**	**4,067.34**	**3,412.41**	**2,940.05**
III	**Profit before Tax & Exceptional Items from Continuing Operations (I - II)**		358.29	287.26	237.46	180.33
IV	Exceptional Items		-	-	-	-

S. No.	Particulars	Notes	For the nine months period December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
V	**Profit before Tax from Continuing Operations (III - IV)**		358.29	287.26	237.46	180.33
VI	**Tax Expense for Continuing Operations**					
1	Current Tax	10	96.16	75.73	60.09	44.69
2	Deferred Tax	18	(4.45)	(2.42)	0.73	6.36
3	Tax Adjustments relating to Previous Years		0.68	-	-	-
	Total Tax Expense		**92.39**	**73.31**	**60.82**	**51.05**
VII	**Profit for the year from Continuing Operations (V - VI)**		**265.90**	**213.95**	**176.64**	**129.28**
VIII	**Other Comprehensive Income**	32				
1	**Items that will not to be reclassified to Statement of Profit or Loss**					
(a)	Re-Measurement Gain / (Losses) on Defined Benefit Plans		1.62	(0.90)	(3.51)	-
(b)	Re-Measurement Gain / (Losses) on PPE		(10.69)	(73.54)	(13.30)	180.80
(c)	Income Tax Effect		2.28	18.73	4.23	(38.22)
	Net Comprehensive Income not to be reclassified to Statement of Profit or Loss in the		**(6.79)**	**(55.71)**	**(12.58)**	**142.58**

S. No.	Particulars	Notes	For the nine months period December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
	Subsequent Periods					
2	**Other Comprehensive Income for the Year, net of Tax**		**(6.79)**	**(55.71)**	**(12.58)**	**142.58**
IX	**Total Comprehensive Income of the Year, net of Tax (VII + VIII)**		**259.11**	**158.24**	**164.06**	**271.86**
X	**Earnings per Share for Continuing Operations**					
1	Basic (In ₹)		7.41	5.96	4.92	3.60
2	Diluted (In ₹)		7.41	5.96	4.92	3.60
	Summary of Significant Accounting Policies	2				

RESTATED STATEMENT OF CASH FLOW

S. No.	Particulars	For the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
I	**Cash Flow from Operating Activities**				
	Profit before Tax from Continuing Operations	358.29	287.26	237.46	180.33
A	**Adjustment to Reconcile Profit before Tax to Net Cash Flows**				
	Non-Cash Adjustments				
1	Depreciation and Amortisation Expenses	56.52	55.70	35.99	32.80
2	Interest Cost	163.21	137.71	127.75	100.17
3	Interest on Lease Liability	2.95	-	-	-
4	(Profit) / Loss on Sale of Fixed Assets	(1.11)	2.19	-	0.66
5	Allowances For Expected Credit Loss	9.02	1.02	6.30	-
6	Adjustment in Reserves	-	-	-	(34.15)
7	Asset written off	0.24	-	-	-
8	Investment Written Off	-	0.67	-	-
9	Preliminary expenses	-	0.91	0.43	0.43
10	Gain on Valuation of Financial Instruments	(2.26)	-	-	-
B	**Operating Profit before Working Capital Changes**	**586.86**	**485.46**	**407.93**	**280.24**
	Adjustments				
1	(Increase) / Decrease in Trade Receivables	296.84	(17.08)	119.35	(520.99)
2	(Increase) / Decrease in Inventories	(342.52)	(1,008.88)	(444.87)	442.11
3	(Increase) / Decrease in Other Assets	(201.31)	(14.30)	(321.54)	(16.52)
4	(Increase) / Decrease in Other Financial Assets	(122.77)	(204.56)	(174.38)	37.71
5	Increase / (Decrease) in Trade Payables	(110.40)	348.83	182.15	94.36
6	Increase / (Decrease) in Other Liabilities	(288.14)	565.76	305.98	(238.37)
7	Increase / (Decrease) in Other Financial Liabilities	14.26	43.09	8.04	31.89
8	Increase / (Decrease) in Provisions	6.64	2.62	1.75	-
C	**Cash Generated from Operations**	(160.54)	200.94	84.41	110.43
1	Income Tax Paid	90.51	72.12	78.40	51.56
	Net Cash Generated from Operating Activities (I)	(251.05)	128.82	6.01	58.87

S. No.	Particulars	For the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
II	**Cash Flows from Investing Activities**				
1	Purchase of Plant, Property and Equipment	(109.34)	(134.42)	(51.86)	(35.12)
2	Proceeds from Sale of Property, Plant & Equipments	23.60	3.39	-	1.20
	Net Cash Generated / (Used In) Investing Activities (II)	**(85.74)**	**(131.03)**	**(51.86)**	**(33.92)**
III	**Cash Flows from Financing Activities**				
1	Proceeds from Long Term Borrowings including current maturity (Net)	236.49	112.73	151.71	134.88
2	Proceeds from Short Term Borrowings (Net)	295.67	56.51	(23.56)	(19.41)
3	Payment of lease liability	(2.16)	-	-	-
4	Interest Cost	(163.21)	(137.71)	(127.75)	(100.17)
	Net Cash Generated / (Used In) Financing Activities (III)	**366.79**	**31.53**	**0.40**	**15.30**
D	**Net Increase in Cash and Cash Equivalents (I + II + III)**	30.00	29.32	(45.45)	40.25
E	Cash and Cash Equivalents at the beginning of the year	31.70	2.38	47.83	7.58
F	**Cash and Cash Equivalents at year end**	61.70	31.70	2.38	47.83

OBJECTS OF THE OFFER

The headings "***Basis of estimation of working capital requirement***", "***Expected working capital requirements***" and "***Key assumptions for working capital projections made by our Company***" on page 106, 107 and 110 of the Draft Red Herring Prospectus shall stand deleted and replaced by the extracts below:

Basis of estimation of working capital requirement

We propose to utilize up to ₹950.00 million from the Net Proceeds to fund the working capital requirements of our Company in the Fiscal 2025. The balance portion of our working capital requirement will be arranged from existing equity, internal accruals, borrowings from banks, financial institutions, non-banking financial companies and related parties.

The details of our Company's working capital as at the nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, and the source of funding, derived from the financial statement of our Company, as certified by our Statutory Auditors, M/s Parmod G Gupta & Associates, Chartered Accountants, through their certificate dated May 24, 2024 are provided in the table below:

(₹ in million)

Particulars*	As at nine months period ended December 31, 2023	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
Current assets				
Trade receivables	678.24	975.08	958.00	1,077.35
Inventories	2,042.52	1,700.00	691.12	246.25
Other Current Assets including other financial assets (excluding cash and cash equivalents)	383.96	332.59	367.66	218.60
Other Financial assets				
- Fixed deposit towards Bank Guarantee Fixed deposit towards Bank Guarantee & Retention amount**	571.47	516.38	316.40	215.70
- Earnest Money Deposit	78.28	83.59	80.71	76.16
Other Non-Current Assets (Retention Amount)	402.86	262.70	219.91	35.41
Total Current Assets (A)	**4,157.33**	**3,870.34**	**2,633.8**	**1,869.47**
Current liabilities				

Particulars*	As at nine months period ended December 31, 2023	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
Trade payables	1,061.97	1,172.37	823.54	641.39
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	259.65	272.56	299.36	52.75
Other Non-Current Liabilities (Mobilisation advance)**	778.15	1,031.34	395.91	328.61
Total Current Liabilities (B)	**2,099.77**	**2,476.27**	**1,518.81**	**1,022.75**
Net working capital (A – B)	**2,057.56**	**1,394.07**	**1,114.99**	**846.72**
Sources of funds				
Borrowings	1,327.62	830.98	682.12	479.92
Internal accruals / Equity	729.94	563.09	432.87	366.80
Total Means of Finance	**2,057.56**	**1,394.07**	**1,114.99**	**846.72**

***Non-current assets being margin money and retention amount is considered as current assets and mobilisation advance is considered as current liabilities for the purpose of determining working capital requirements*

Expected working capital requirements

In addition to the receivables, inventories and payables, we are required to provide 3% to 5% of the project tender amount as performance bank guarantee and upto 5% to 6% of project tender amount as retention money / security deposit till the project is completed. Further the performance bank guarantee is to be continued till the period of on an average 12 months from the date of completion of the respective project as per the defect liability period clause. Further to obtain Bank Guarantee, the Company maintains fixed deposits ranging between 10% and 25% of the guarantee amount as Margin Money. As on December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 amount outstanding towards retention amount, earnest money deposit and bank deposit towards margin money as stated herein under:

(₹ in million)

Particulars	As at and for the nine months period ended December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	% of Order Book	Amount	% of Order Book	Amount	% of Order Book	Amount	% of Order Book
Earnest Money Deposit	78.28	0.61%	83.59	0.50%	80.71	1.12%	76.16	1.40%
Inventories	2,042.52	15.95%	1,700.00	10,25%	69.12	9.60%	246.25	4.52%

Particulars	As at and for the nine months period ended December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount	% of Order Book	Amount	% of Order Book	Amount	% of Order Book	Amount	% of Order Book
Bank deposit for margin money	571.47	4.46%	516.38	3.11%	316.40	4.40%	215.70	3.96%
Retention amount	403.87	3.15%	263.36	1.59%	220.46	3.06%	35.41	0.65%
Retention Money - Credit Impaired	15.32	0.12%	6.66	0.04%	5.75	0.08%	-	0.00%
(-) Allowances for Expected Credit Loss	(16.33)	(0.13%)	(7.32)	(0.04%)	(6.30)	(0.09%)	-	0.00%
(-) mobilisation advance	(778.15)	(6.08%)	(1,031.34)	(6.22%)	(395.91)	(5.50%)	(328.61)	(6.04%)
Amount held towards project	2,316.98	18.09%	1,531.33	9.24%	912.23	12.68%	244.91	4.50%
Outstanding Bank Guarantee	2,654.36	20.72%	2,749.09	16.58%	1,375.80	19.12%	1,265.70	23.25%
Order Book	12,808.10	100.00%	₹16,578.79	100.00%	₹7,196.32	100.00%	₹5,443.40	100.00%

Key parameters determining the working capital requirements such as growth in revenue, % of net working capital to revenue are as under:

(₹ in million)

Particulars	As at and for the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Operations	3,224.65	4,334.55	3,630.52	3,107.55
Net working capital	2,057.56	1,394.07	1,114.99	846.72
Percentage of Net working capital to Revenue	63.81%	32.16%	30.71%	27.25%
Growth in revenue from operations	-	19.39%	16.83%	-

As certified by our Statutory Auditor M/s Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024.

Hence, we have significant working capital requirement in the nature of trade receivables, inventory of raw material and finished goods, FDRs against bank guarantees, earnest money deposit, retention money etc. which we fund in the ordinary course of business from our internal accruals/equity and financing facilities from various banks, financial institutions and related parties. The higher working capital requirement of 63.81% for the nine months period ended December 31, 2023 would get normalised by year end.

Based on the contracted projects in hand and expected schedule of completion of projects, the Company will require approximately ₹3,391.55 million to meet the working capital requirement for Fiscal 2025. The working capital requirement will be met through the Bank Borrowing, Owned Funds and the Net Proceeds of the Offer. Accordingly, on the basis of the existing and estimated working capital requirement of our Company and assumptions for such working capital requirements, our Board pursuant to its resolution dated March 26, 2024, has approved the estimated working capital requirements as set forth below:

(₹ in million)

Particulars*	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	As on March 31, 2023
Current assets			
Trade receivables	1,543.03	1,117.10	975.08
Inventories	2,465.75	1,679.43	1,700.00
Other Current Assets including other financial assets (excluding cash and cash equivalents)	616.44	419.86	332.59
Other Financial assets			
- Fixed deposit towards Bank Guarantee & Retention amount**	829.91	595.06	516.38
- Earnest Money Deposit	173.00	100.00	83.59
Other Non-Current Assets (Retention Amount)	913.92	598.92	262.70
Total Current Assets (A)	**6,541.65**	**4,510.38**	**3,870.34**
Current liabilities			
Trade payables	1,849.32	1,259.58	1,172.37
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	410.96	279.91	272.56
Other Non-Current Liabilities (Mobilisation advance)**	889.83	692.14	1,031.34
Total Current Liabilities (B)	**3,150.10**	**2,231.62**	**2,476.27**
Net working capital (A – B)	**3,391.55**	**2,278.76**	**1,394.07**
Sources of funds			
Borrowings	1,150.00	1,450.00	830.98

Particulars*	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	As on March 31, 2023
Internal accruals / Equity	1,291.55	828.76	563.09
IPO Proceeds	950.00	-	-
Total Means of Finance	**3,391.55**	**2,278.76**	**1,394.07**

**As certified by by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024, have compiled and confirmed the working capital estimates and working capital projections.*
***Non-current assets being margin money and retention amount is considered as current assets for the purpose of determining working capital requirements.*

The table below sets forth the details of holding levels (in days) for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021 as well as the estimated holding levels (in days) for Fiscals 2024 and Fiscal 2025:

Days	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	December 31, 2023 (Actual)	Fiscal 2023 (Actual)	Fiscal 2022 (Actual)	Fiscal 2021* (Actual)
Trade receivables	75	80	58	82	96	126
Inventories	120	120	174	143	69	29
Other Current Assets including other financial assets (excluding cash and cash equivalents)	30	30	33	28	37	26
Fixed deposit towards Bank Guarantee & Retention amount	40	43	49	43	32	25
Earnest Money Deposit	8	7	7	7	8	9
Other Non-Current Assets (Retention Amount)	44	43	34	22	22	4
Trade payables	90	90	91	99	83	75
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	20	20	22	23	30	6
Other Non-Current Liabilities (Mobilisation	43	49	66	87	40	39

Days	Fiscal 2025 (Projected)	Fiscal 2024 (Estimated)	December 31, 2023 (Actual)	Fiscal 2023 (Actual)	Fiscal 2022 (Actual)	Fiscal 2021* (Actual)
advance)						

The above details of holding levels as well as projections have been certified by our Statutory Auditor - Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated May 24, 2024.
Notes:
1. *Holding period (in days) is calculated as respective current asset or current liability divided by revenue from operations multiplied by number of days (see note 2 below). Estimated holding days have been rounded to the nearest number.*
2. *The holding period has been computed over three hundred sixty-five (365) days for each fiscal year and two hundred and seventy five (275) days for the nine months period ended December 31, 2023.*

Key assumptions for working capital projections made by our Company

The table below sets forth the key assumptions for our working capital projections:

Particulars	Justification
Inventories	Inventory comprises majorly of construction work in progress and construction materials such as steel, cement, sand, aggregator, etc. Inventory level during a year depends on the project under execution and the likely date for completion of the project. Our Company had maintained inventory holding period of 29 days in Fiscal 2021, 69 days in Fiscal 2022, 143 days in Fiscal 2023 and 174 days in December 31, 2023. The inventory level has witnessed an increase over the disclosed financial period primarily due to being awarded new projects and the level of work on existing projects. For instance, the Order Book increased from ₹5,443.40 million in Fiscal 2021 to ₹16,578.79 million in Fiscal 2023. In view of the Order Book of ₹12,115.68 million as of February 29, 2024, the estimated time to complete these projects and new project win, we have considered the inventory level to be maintained around 120 days for Fiscal 2024 and Fiscal 2025.
Trade receivables	The holding levels of trade receivables were at 126 days in Fiscal 2021, 96 days in Fiscal 2022, 82 days in Fiscal 2023 and 58 days in December 31, 2023. Trade receivables represents receivable from clients primarily being government, semi-government and government-controlled entities. Our trade receivable days from these clients is around 105 days in Fiscal 2021, 75 days in Fiscal 2022, 65 days in Fiscal 2023 and 40 days in December 31, 2023. Further, trade receivables also include receivables from the proprietorship firm of one of our Promoter, Deepak Kumar Singal of ₹207.41 million, ₹207.41 million, ₹207.41 million and ₹181.61 million for the nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. In case of EPC projects invoicing is done based on percentage of work completed and in case of item-rate based /

Particulars	Justification
	percentage-based projects invoice is done based on the material supplied. On an average we realise our invoice within a period of 30 to 60 days subject to the stage of the project, the payment cycle followed by our clients, acceptance of escalation claims, budgetary allocation available, etc. Additionally, the terms of the contract for some of the projects awarded to us stipulates the timeline within which payment shall be disbursed by our client from the date of acceptance of our invoice. Accordingly, we have estimated that our receivable days will be around 80 days for Fiscal 2024 and 75 days in Fiscal 2025.
Other Current Assets including other financial assets (excluding cash and cash equivalents)	Other current assets mainly comprise of GST receivables, advance to vendors, sub-contractors, employees, etc. Other Current Assets days is around 26 days in Fiscal 2021, 37 days in Fiscal 2022, 28 days in Fiscal 2023 and 33 days in December 31, 2023. We expect the holding level to stay around 30 days for Fiscal 2024 and Fiscal 2025
Fixed deposit towards Bank Guarantee & Retention amount	As our Company is engaged in construction and infrastructure development projects, our Company is required to provide bank guarantees such as performance bank guarantee, guarantee towards mobilisation accounts, etc. As per the terms of the sanction letter our Company is required to maintain margin money in the form of bank fixed deposit. The margin requirement is around 10% to 25% of the guarantee amount which is is based on the limit utilized and the issuing bank. Our fixed deposit requirements to our revenue from operations in number of days is around 25 days in Fiscal 2021, 32 days in Fiscal 2022, 43 days in Fiscal 2023 and 49 days in December 31, 2023. The margin requirement increases with increase in number of projects awarded to us and the revenue we book during the accounting period from our construction activities. Based on the value of projects in hand and time to complete the projects, our bank FDR to revenue from operation in days will be around 43 days in Fiscal 2024 and 40 days in Fiscal 2025.
Earnest Money Deposit (EMD)	EMD represent the deposit that is made by bidders while participating in a tender. The EMD amount is refunded once the outcome of the tender is declared, unless forfeited by the tendering party. The EMD is in the range of 2% of the contract value.
Retention amount in days	Retention money is the amount withheld by the client from the payment made to contractor as security for their performance. The retention money is refunded after the completion of the project or held as security deposit till the end of the defect liability period. The retention amount is around 5% of the invoice raised.

Particulars	Justification
	Our Company had maintained holding level of retention amount at 4 days in Fiscal 2021, 22 days in Fiscal 2022, 22 days in Fiscal 2023 and 34 days in December 31, 2023. We have estimated retention amount days to be maintained around 43 days and 44 days for Fiscal 2024 and Fiscal 2025, respectively.
Trade payables	Our Company had maintained holding level of trade payables at 75 days in Fiscal 2021, 83 days in Fiscal 2022, 99 days in Fiscal 2023 and 91 days in December 31, 2023. Our trade payables mainly comprise of suppliers of raw materials such as steel, cement, sand, fixtures, payables to sub-contractors, etc. We would maintain our trade payable days around the historical level of 90 days for Fiscal 2024 and at 90 days for Fiscal 2025.
Other financial liabilities, other current liabilities, Provisions and income tax liabilities (excluding current lease liabilities)	It includes payables to employees, statutory liabilities, advances from customers, provision for warranty, provision for gratuity, and current tax liabilities. Our Company had maintained holding level of other financial liabilities, other current liabilities, current tax liabilities (net) and provisions (excluding current lease liabilities) at 6 days in Fiscal 2021, 30 days in Fiscal 2022, 23 days in Fiscal 2023 and 22 days in December 31, 2023. We would maintain the holding level around 20 days for Fiscal 2024 and Fiscal 2025.
Mobilisation Advance	Mobilisation Advance are the initial payment made to the contractor against mobilization of equipment and resources as per the terms of the contract. Mobilisation Advance received by us stood at 39 days in Fiscal 2021, 40 days in Fiscal 2022, 87 days in Fiscal 2023 and 66 days in December 31, 2023. Further, our Company has raised bank finance against projects, we believe that this would rationalize mobilization advance with competitive bank loans, we believe that this would maintain the holding level around 49 days for Fiscal 2024 and 43 days for Fiscal 2025.

BASIS FOR THE OFFER PRICE

The headings "***Basic and Diluted Earnings Per Share (“EPS”)***", "***Return on Net worth (RoNW)***", " ***Net Asset Value per Equity Share of face value of ₹10 each, as adjusted (NAV)***" and "***Key Performing Indicators***" on page 117, 118 and 119 of the Draft Red Herring Prospectus shall stand deleted and replaced by the extracts below:

1. Basic and Diluted Earnings Per Share (“EPS”):

Year / Period ended	Basic EPS and Diluted EPS** (Pre-Bonus)	Weights
March 31, 2023	5.96	3
March 31, 2022	4.92	2
March 31, 2021	3.60	1
Weighted Average	**5.22**	
For nine months period ended December 31, 2023*	7.41	NA

**Not annualized*

Notes:

(1) *Earnings per Equity Share (Basic & Diluted) = Restated profit for the period/year attributable to the Equity Shareholders /number of Equity Shares outstanding during the period/year.*

(2) *Earnings per share calculations are in accordance with Ind AS - 33 (earnings per share) prescribed by the Companies (Indian Accounting Standards) Rules, 2015*

(3) *The above statement should be read with significant accounting policies and notes on Restated Financial Statement as appearing in the Restated Financial Statement.*

(4) *The face value of the Equity Shares is ₹10 each.*

(5) *The figures disclosed above are derived from the Restated Financial* Statement.

3. Return on Net worth (RoNW)

Return on Net Worth (RoNW) derived from the Restated Financial Statement:

Year Ended	RONW (%)	Weight
March 31, 2023	26.80	3
March 31, 2022	28.40	2
March 31, 2021	26.22	1
Weighted Average	**27.24**	
For nine months period ended December 31, 2023*	25.65	NA

**Not annualised*

Note:

(1) Net worth attributable to the Equity Shareholders of our Company has been defined as the average aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, including legal reserve and after deducting, if any the aggregate value of the accumulated losses, prepaid expenses, deferred expenditure and miscellaneous expenditure not written off as per the Restated Financial Statement, but does not include reserves created out of revaluation of assets and write-back of depreciation as on March 31, 2021, March 31, 2022, March 31, 2023 and nine months period ended December 31, 2023 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended.

(2) Return on Net worth attributable to the Equity Shareholders of our Company (%) = Restated net profit for the period/year attributable to Equity Shareholders of our Company / Restated Average Net worth attributable to the Equity Shareholders of our Company as at the end of the period/year. Return on Net worth attributable to the Equity Shareholders of the company is a non-GAAP measure.

(3) Weighted average = Aggregate of year-wise weighted Return on Net worth attributable to the Equity Shareholders of our Company divided by the aggregate of weights i.e. (Return on Net worth attributable to the Equity Shareholders of our Company x Weight) for each period/year / Total of weights

(4) The figures disclosed above are derived from the Restated Financial Statement of our Company

4. Net Asset Value per Equity Share of face value of ₹10 each, as adjusted (NAV)[(i)]

Particulars	(₹)
As on March 31, 2023	24.90
As on March 31, 2022	19.60
As on March 31, 2021	15.06
As on December 31, 2023	32.88
After the Offer [(ii)]	
-At Floor Price	[●]
-At Cap Price	[●]
Offer Price per equity share	[●]

Notes:

(i) Net Asset Value per Equity Share is calculated as net worth attributable to the Equity Shareholders of our Company as at the end of financial period/year divided by the number of Equity Shares used in calculating basic earnings per share.

"Net Worth attributable to the Equity Shareholders of our Company" means the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, including legal reserve and after deducting, if any the aggregate value of the accumulated losses, prepaid expenses, deferred expenditure and miscellaneous expenditure not written off as per the Restated Financial Statement, but does not include reserves created out of revaluation of assets and write-back of depreciation as on March 31, 2021, March 31, 2022, March 31, 2023 and nine months period ended December 31, 2023 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended. It also excludes OCI, NCI and deeply subordinate debt.

(ii) To be decided upon finalisation of Offer Price per Equity Share

6. Key Performing Indicators

The table below sets forth the details of the KPIs that our Company considers have a bearing for arriving at the basis for Offer Price. These KPIs have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals segments in comparison to our peers. The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational key financial and operational metrics, to make an assessment of our Company's performance in various business verticals and make an informed decision.

The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated May 24, 2024. Further, the members of our Audit Committee have verified the details of all KPIs pertaining to the Company and confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years prior to the date of filing of this Red Herring Prospectus. Further, the KPIs disclosed herein have been certified by our Statutory Auditors, by their certificate dated May 24, 2024, which has been included as part of the "***Material Contracts and Documents for Inspections***" on page 445. For details of other business and operating metrics disclosed elsewhere in this Draft Red Herring Prospectus, see "***Our Business***" and "***Management's Discussion and Analysis of Financial Condition and Results of Operations***" on pages 200 and 310, respectively.

Details of our KPIs for the nine months period ended December 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021 is set out below:

(₹ in millions, other than ratios)

Metrics	For the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Financial				
Revenue from operations(1)	3,224.65	4,334.55	3,630.52	3,107.55
Growth in revenue from operations (%)(2)	NA	19.39%	16.83%	NA
Gross Profit(3)	903.51	772.42	642.55	581.90
Gross Profit Margin(%)(4)	28.02%	17.82%	17.70%	18.73%
EBITDA(5)	638.04	528.93	438.71	351.94
EBITDA Margin(%)(6)	19.79%	12.20%	12.08%	11.33%
Adjusted EBITDA(7)	608.12	508.88	419.36	339.11
Adjusted EBITDA Margin(%)(8)	18.86%	11.74%	11.55%	10.91%
Restated Profit after tax (PAT)(9)	265.90	213.95	176.64	129.28
PAT Margin(10)	8.25%	4.94%	4.87%	4.16%
RoE(%)(11)	22.25%	23.06%	24.72%	23.92%
RoCE(%)(12)	23.66%	26.10%	27.26%	27.12%
Net Debt / EBITDA Ratio(13)	2.25	1.77	1.81	1.76
Debt Equity Ratio(14)	1.25	1.04	1.11	1.24
Operational				
Order Book(15)	12,808.10	16,578.79	7,196.32	5,443.40
Book to Bill ratio(16)	3.53	4.05	2.11	1.66

Metrics	For the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Category wise				
Construction Projects[17]	1,771.85	3,283.85	2,592.78	2,156.90
Construction Projects (as a % of operating revenue)	54.95%	75.76%	71.42%	69.41%
Infrastructure Projects[18]	1,305.95	189.58	408.76	760.83
Infrastructure Projects (as a % of operating revenue)	40.50%	4.37%	11.26%	24.48%
Type wise				
EPC projects[19]	1,451.22	829.20	757.30	1,032.44
EPC projects (as a % of operating revenue)	45.00%	19.13%	20.86%	33.22%
Item-rate / Percentage rate[20]	1,626.58	2,644.23	2,244.24	1,885.29
Item-rate / Percentage rate (as a % of operating revenue)	50.44%	61.00%	61.82%	60.67%
Key working capital parameters (in days)				
Working Capital Days[21]	175	117	112	99
Inventory Days[22]	174	143	69	29
Trade Receivable Days[23]	58	82	96	127
Trade Payable Days[24]	91	99	83	75

Notes:

[*]KPIs and metrics for the period are not annualized. Growth rate from Fiscal 2023 to nine months period ended December 31, 2023 is not disclosed as the periods are not comparable

1. *Revenue from Operations means the revenue from operations as appearing in the Restated Financial Statement.*
2. *Growth in revenue from operations (%) is calculated as a percentage of revenue from operations of the relevant period/year minus revenue from operations of the preceding period/year, divided by revenue from operations of the preceding period/year.*
3. *Gross Profit is calculated as revenue from operations less cost of materials consumed and construction expenses.*
4. *Gross Profit Margin refers to the percentage margin derived by dividing Gross Profit by revenue from operations.*
5. *EBITDA is calculated as restated profit / (loss) for the period / year, plus finance costs, total taxes, and depreciation and amortisation expense.*
6. *EBITDA Margin (%) is calculated as EBITDA divided by revenue from operations.*
7. *Adjusted EBITDA is calculated as EBITDA less other income.*
8. *Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by the revenue from operations.*
9. *Profit after Tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Statement.*
10. *Profit after Tax Margin refers to the percentage margin derived by dividing Profit after Tax by revenue from operations.*

11. *Return on Equity (%) refers to restated profit after tax divided by Equity for the year/period less revaluation surplus. Restated profit after tax means restated profit / (loss) for the period/year as appearing in the Restated Financial Statement.*
12. *Return on Capital Employed is calculated as adjusted EBITDA less depreciation and amortisation / Capital Employed. Capital Employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities(net) minus deferred tax assets (net).*
13. *Net Debt to EBITDA Ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA.*
14. *Debt Equity ratio is calculated as total borrowings divided total equity less revalutation surplus available to the equity shareholders of the Company.*
15. *Our order book as of a particular date comprises of anticipated revenues from uncompleted portion of existing contracts (signed contract for which all pre-conditions to entry have been met, including letters of intents issued by the client).*
16. *Book to Bill ratio is calculated as Book at a particular period divided by the Revenue from operations for that period*
17. *Construction Projects comprises of construction and development of institutional & administrative buildings, hospitals and medical colleges, industrial building, historical memorial complex, stadium and sports complex, residential complex*
18. *Infrastructure Projects comprises of structural work such as, flyovers, approach roads, road under bridge, bridges and railway over bridges and development and redevelopment of railway stations*
19. *EPC Projects comprises of project executed under EPC contract*
20. *Item-rate basis / percentage rate basis comprises of project executed on an item-rate basis / percentage rate basis.*
21. *Working Capital Days refers to total current assets days minus total current liabilities days.*
22. *Inventory days have been calculated as inventory divided by revenue from operations multiplied by 275 (to annualize) for the nine months period ended December 31, 2023 and 365 days for the complete fiscal years.*
23. *Trade Receivables days have been calculated as Trade Receivables divided by revenue from operations multiplied by 275 (to annualize) for the nine months period ended December 31 and 365 days for the complete fiscal years.*
24. *Trade Payables days have been calculated as Trade Payables divided by revenue from operations multiplied by 275 (to annualize) for the nine months period ended December 31, 2023 and 365 days for the complete fiscal years.*

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in ***"Our Business"*** and ***"Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 200 and 310, respectively. All such KPIs have been defined consistently and precisely in '***Definitions and Abbreviations – Conventional and General Terms and Abbreviations***' on page 3.

Our Company shall continue to disclose the KPIs disclosed hereinabove in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares, or until the utilization of Offer Proceeds, whichever is later, on the Stock Exchanges pursuant to the Offer, or for such other period as may be required under the SEBI ICDR Regulations.

Explanation for the KPI metrics

KPI	**Explanations**
Revenue from Operations (₹ in million)	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of the Company and size of the business
Growth in revenue from operations (%)	Growth in Revenue from operations provides information regarding the growth of the business for the respective period.
Gross Profit (₹ in million)	Gross Profit provides information regarding the profits from manufacturing of products by the Company.
Gross Profit Margin (%)	Gross Profit Margin is an indicator of the profitability on sale of products manufactured sold by the Company.

KPI	Explanations
EBITDA (₹ in million)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability of the business before interest, depreciation, amortisation, and taxes and financial performance of the business.
Adjusted EBITDA (₹ in million)	Adjusted EBITDA provides information regarding the operational efficiency of the business after adjusting for other income, which is non-core income
Adjusted EBITDA Margin (%)	Adjusted EBITDA Margin is a further indicator of the operational profitability and financial performance of the business after negating the impact of non-operating income
Restated Profit after Tax (PAT) (₹ in million)	Restated Profit after Tax is an indicator of the overall profitability and financial performance of the business.
PAT Margin (%)	PAT Margin is an indicator of the overall profitability and financial performance of the business as a percentage to the revenue from operations.
Return on Equity ("**RoE**") (%)	RoE provides how efficiently our Company generates profits from the shareholders' funds.
Return on Capital Employed ("**RoCE**") (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Order Book	Our order book as of a particular date comprises of anticipated revenues from uncompleted portion of existing contracts (signed contract for which all pre-conditions to entry have been met, including letters of intents issued by the client)
Book to Bill ratio	Book-to-Bill Ratio is an indicator of the size of the order book as of a particular period to the revenue generated for that period
Net Debt / EBITDA Ratio	It represents how many years it would take for our Company to pay back its debt if net debt and EBITDA are held constant.
Debt Equity ratio	This gearing ratio compares shareholders' equity to company debt to assess the company's amount of leverage and financial stability.
Working Capital Days	Working capital days indicates the working capital requirements of our Company in relation to revenue generated from operations, it defines the number of days taken by the company for converting the purchase to collection.
Inventory Days	Inventory Days provides number of days in which inventory turnaround in particular period / year.
Trade Receivable Days	Trade Receivable Days is the number of days that a customer invoice is outstanding before it is collected.
Trade Payable Days	Trade Payable Days is the number of days that a company takes to pay its bills and invoices to its trade creditors.

*[*]As certified by our Statutory Auditor -M/s Parmod G Gupta & Associates, Chartered Accountants, pursuant to their certificate dated May 24, 2024. This certificate has been designated a material document for inspection in connection with the Offer. See "**Material Contracts and Documents for Inspection**" on page 445**Error! Bookmark not defined.**.*

Description on the historic use of the KPIs by us to analyze, track or monitor our operational and/or financial performance

In evaluating our business, we consider and use certain KPIs, as stated above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Statement. We use these KPIs to evaluate our financial and operating performance. Some of these KPIs are not defined under Ind AS and are not presented in accordance with Ind AS. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

Comparison of KPIs based on additions or dispositions to our business

Dispositions

Our Company has not made any dispositions to our business in the last three Fiscals and the nine months period ended December 31, 2023.

Acquisition

Our Company has not acquired / made any in investment in the last three Fiscals and the nine months period ended December 31, 2023.

Our Company has not undertaken material acquisition or disposition of assets / business for the periods that are covered by the KPIs and accordingly, no comparison of KPIs over time based on additions or dispositions to the business, have been provided.

OUR BUSINESS

The headings "***Overview***", "***Infrastructure Project business***", "***Sale of Products***", "***Key Performance Indicators***", "***Our Strengths***", "***Our Strategies***", "***Project***", the fourth paragraph of "***Equipment & Fleet***" and "***Our Customer Base***" on pages 200, 202, 204, 206, 207, 209, 210, 219 and 220 of the Draft Red Herring Prospectus shall stand deleted and replaced by the extracts below:

OVERVIEW

We are an integrated engineering and construction company, specializing in execution and construction of administrative & institutional buildings, hospitals and medical colleges, industrial building, historical memorial complex, stadium and sports complex, residential complex and various developmental and other construction activity ("**Construction Projects**"). While our primary focus and strength are deeply rooted in Construction Projects, we have diversified in undertaking specialized structural work such as flyovers, rail under bridge, rail over bridges, approach roads and development and redevelopment of railway stations ("**Infrastructure Projects**") (Construction Projects and Infrastructure Projects collectively referred to as "**Construction & Infrastructure Projects**"). We undertake Construction & Infrastructure Projects both, as EPC services on a fixed-sum turnkey basis as well as on an item-rate basis/percentage basis. As an engineering and construction company, we have a proven track record of executing turnkey projects comprising of architectural & structural work, civil works, HVAC, Mechanical Electrical & Plumbing ("**MEP**") works, firefighting & fire alarm systems, public health services, information technology system, modular operation theatre, medical gas pipeline systems and external development work, including landscaping work. Since incorporation, we believe we have transitioned into an established EPC player, demonstrating our expertise in various construction and infrastructure development projects including specialized structures across four (4) states of India, i.e. Punjab, Haryana, Rajasthan, Uttarakhand and two (2) Union Territories i.e. Chandigarh and National Capital Territory of Delhi. Our revenue from operations has increased significantly from ₹3,107.55 million in Fiscal 2021 to ₹4,334.55 million in Fiscal 2023 and to ₹3,224.65 million in the nine months period ended December 31, 2023.

Incorporated in September 2017, we acquired the business of M/s. Deepak Builders, a partnership firm ("**Deepak Builders Partnership Firm**" or "**Erstwhile Firm**"), vide a Business Takeover Agreement dated March 1, 2018. Deepak Builders Partnership Firm was constituted by our Promoter, Deepak Kumar Singal on April 1, 1990. Deepak Kumar Singal (*through the Erstwhile Firm*) has been in the construction business for over 30 years and has also been instrumental in the growth of our Company. Since 1990, Deepak Kumar Singal has contributed towards the completion of sixty (60) Construction & Infrastructure Projects (inclusive of projects completed in Erstwhile Firm as well as our Company), which includes nine (9) EPC projects and fifty-one (51) projects on an item-rate/percentage rate basis.

Since our incorporation in September 2017, we have gradually increased our execution capabilities in terms of the size of projects that we can bid for and execute. One of our initial projects that was awarded to our Company in 2018 by PWD Haryana, was for an aggregate contract value of ₹514.40 million[1] for construction of flyover with underpass and service roads at Atul Kataria Chowk (Old Delhi - Jaipur Road). Whereas, more recently we have been awarded our first contract for construction of plant building (*under our industrial building projects*) by Indian Oil Corporation Limited ("**IOCL**"), Panipat, Haryana with a contract value amounting to ₹5,329.59 million[1].

Since, acquisition of business from Erstwhile Firm, we have completed sixteen (16) Projects[2] including some prestigious projects, such as construction of Jang-E-Azadi Memorial at Kartarpur, Jalandhar, Punjab with a contract value amounting to ₹2,183.60 million[1], development of Karuna Sagar Maharishi Valmiki Tirath Asthaan at Ram Tirath, Amritsar, Punjab with a contract value amounting to ₹1,972.40 million[1], construction of Geriatrics Block in AIIMS Campus, New Delhi with a contract value amounting to ₹2,243.20 million[1], construction of super specialty block at Government Medical College, Patiala with a contract value amounting to ₹665.00 million[1]. For information in

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[1] The contract value is with GST

[2] On the basis of work competition certificates or LOA issued in the name of the Company

respect of our completed projects, see "***Our Completed Projects***" on page 212**Error! Bookmark not defined.**.

Currently, our Company has eleven (11) ongoing projects, including six (6) EPC projects and five (5) item-rate/percentage rate contracts. Of our total ongoing projects, our Construction Projects comprises of four (4) hospital and medical college projects, one (1) administrative & institutional buildings; one (1) industrial building; and our Infrastructure Projects comprises of three (3) projects relating to upgradation/development/redevelopment of Railway Station and related work, and two (2) roads & bridges projects relating to rail over bridges. Further, we also undertake operation and maintenance ("**O&M**") activities in accordance with our contractual obligations under the projects.

We are accredited as a Class I – (Super) Contractor with Central Public Work Department, Government of India and as on the date of this Draft Red Herring Prospectus, we are pre-qualified to bid independently for single projects up to a tender value of ₹6,500.00 million. For details, see "***Government and Other Approvals***", on page 351.

Our order book, as on February 29, 2024, nine months period ended December 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, amounts to ₹12,115.68 million, ₹12,808.10 million, ₹16,578.79 million, ₹7,196.32 million and ₹5,443.40 million, respectively. Of our total order book value as on February 29, 2024, projects awarded by Northern Railways contributed 52.51%, industrial building project awarded by IOCL contributed 30.32%, and hospital and medical project awarded by government-controlled entities collectively contributed 11.61%. Our book to bill ratio for nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 was 3.53, 4.05, 2.11 and 1.66 times, respectively[3]. Our order book as of a particular date comprises of anticipated revenues from uncompleted portion of existing contracts (signed contract for which all pre-conditions to entry have been met, including letters of intents / allotment issued by the client). For information in respect of our ongoing projects, see "***Our Order Book***" on page 214.

Infrastructure Project business

Under our Infrastructure Projects business verticals, we primarily undertake;

(a) Road Projects – We undertake projects on an EPC basis which comprises of designing, construction, realignment, widening, upgradation, diversion, improvements of approach roads, service road, foot path, rail over bridge, rail under bridge, underpass and flyovers, etc. in accordance with the specifications outlined in the project contracts.

(b) Railway Projects – This being our new vertical where we undertake projects on EPC basis which comprises of designing, construction, development and redevelopment of railway stations along with construction of station building, arrival concourse, cover over platform, railway rest houses, railway hospitals, railway quarters, multi-level car parking, foot over bridges, internal roads, pavements, various interior and exterior work, etc. in accordance with the specifications outlined in the project contracts.

The table below outlines the Construction & Infrastructure Projects executed by us during Fiscal 2021 to Fiscal 2023 and for the nine months period ended December 31, 2023.

(₹ in million)

Project type	No of completed projects	Contract Value of completed projects*
Hospitals & medical college building	4	4,408.55

3 Book to Bill ratio is calculated as Order Book at a particular period divided by the Revenue from operations for that period

Developmental and other Construction Activity	5	2,231.84
Road Projects	3	1,563.10
Stadium & Sports Complex	1	1,401.20
Residential Complex	1	1,185.38
Administrative & Institutional building	2	197.96

**Contract value is inclusive of GST*

Sale of Products

Our Company being in the business of construction requires steel, cement, sand, aggregates, etc., for executing the projects awarded to our Company. In order to execute the work on time and to reduce the cost of procurement for the above items required for completion of a projects, the Company has set-up RMC plants at different locations as backward integration and also stock other construction materials like iron and steel, cement, etc., required in construction of our projects. After captive consumption, certain residue construction material primarily steel, are sold in the open market to third party contractors, traders, etc. on commercially viable terms.

Our human resource and our owned and leased fleet of modern construction machinery and equipment, along with our engineering skills and capabilities, enable us to undertake a wide variety of construction projects that involve a varying degree of complexity. Our work force, as on February 29, 2024 consisted of 642 full-time employees, comprising both skilled and on-site workers engaged in various projects. We also engage contract labourers whom we hire based on our requirement from time-to-time. We believe that our in-house integrated model of equipment management reduces dependence on third party suppliers for construction machinery and equipment and thus enabling us in execution of our projects.

We are led by our Promoter and the Chairman cum Managing Director namely, Deepak Kumar Singal who has extensive experience of more than 30 years in the construction industry and has been intimately involved in our business since incorporation. Our Promoter remains actively involved in our operations and continues to bring his vision, business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. We also have dedicated management team with a strong understanding of the industry that enables us to effectively identify and take advantage of market opportunities. We believe that the experience of our senior management team has significantly contributed to our success and growth. For further details, see "***Our Promoters***" and "***Our Management***" on page 254 and 238, respectively.

Our Company's revenue from operations for nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below:

(*₹ in million, unless stated otherwise*)

Our operations	As at and for the nine months period ended December 31, 2023	As % of Revenue from Operations	Fiscal 2023	As % of Revenue from Operations	Fiscal 2022	As % of Revenue from Operations	Fiscal 2021	As % of Revenue from Operations
Construction Projects								
Administrative & Institutional	-	-	-	-	21.85	0.60%	40.40	1.30%
Hospitals and	951.44	29.51%	2,232.42	51.50%	1,647.15	45.37%	1,477.51	47.55%

Our operations	As at and for the nine months period ended December 31, 2023	As % of Revenue from Operations	Fiscal 2023	As % of Revenue from Operations	Fiscal 2022	As % of Revenue from Operations	Fiscal 2021	As % of Revenue from Operations
medical college								
Sports & Stadiums Complex	-	-	-	-	91.69	2.53%	112.14	3.61%
Developmental and other Construction Activity	32.62	1.01%	300.70	6.94%	232.43	6.40%	526.85	16.95%
Residential Buildings	22.90	0.71%	243.25	5.61%	599.66	16.52%	-	-
Industrial Building	797.52	24.73%	507.48	11.71%	-	-	-	-
Infrastructure Projects								
Road Projects	63.60	1.97%	161.09	3.72%	408.76	11.26%	760.83	24.48%
Railway Projects	1,209.72	37.51%	28.49	0.66%	-	-	-	-
Sale of Product								
Sale of Material	146.85	4.55%	861.12	19.87%	628.98	17.32%	189.82	6.11%

As certified by our Statutory Auditor M/s Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024

Key Performance Indicator

From the commencement of our business operations, we have witnessed a rise in our revenue from operations and moreover we have demonstrated profitability with operating performance. Our Company had achieved revenue from operations of ₹3,224.65 million for the nine months period ended December 31, 2023, ₹4,334.55 million in Fiscal 2023, ₹3,630.52 million in Fiscal 2022 and ₹3,107.55 million in Fiscal 2021, representing, 99.08%, 99.54%, 99.47% and 99.59% of our total income, respectively.

Our key financial performance indicator for the nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below:

(₹ in million, unless stated otherwise)

Parameter	For the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total income[(a)]	3,254.57	4,354.60	3,649.87	3,120.38
Total revenue from operations [(b)]	3,224.65	4,334.55	3,630.52	3,107.55
Current Ratio[(c)]	1.53	1.46	1.26	1.44

Parameter	For the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
EBIDTA[d]	638.04	528.93	438.71	351.94
EBIDTA Margin (in %)[e]	19.79%	12.15%	12.02%	11.28%
Net Profit for the Year[f]	265.90	213.95	176.64	129.28
Net Profit Margin (in %)[g]	8.25%	4.94%	4.87%	4.16%
Return on Net Worth (in %)[h]	25.65%	26.80%	28.40%	26.22%
Return on Capital Employed (in %)[i]	23.66%	26.10%	27.26%	27.12%
Debt-Equity Ratio[j]	1.25	1.04	1.11	1.24
Net Debt / EBITDA Ratio[k]	2.25	1.77	1.81	1.76

As certified by our Statutory Auditor M/s Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024

Notes:

(a) Total income includes revenue from operation and other income

(b) Revenue from operations represents the Contact receipt income from the projects executed by the Company as recognized in the Restated financial information.

(c) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

(d) EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.

(e) EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.

(f) Net Profit for the year represents the restated profits of our Company after deducting all expenses.

(g) Net Profit margin is calculated as restated profit & loss after tax for the year divided by total income revenue from operations.

(h) Return on Net worth attributable to the Equity Shareholders of our Company (%) = Restated net profit for the period/year attributable to Equity Shareholders of our Company / Restated Average Net worth attributable to the Equity Shareholders of our Company as at the end of the period/year. Return on Net worth attributable to the Equity Shareholders of the company is a non-GAAP measure.

(i) Return on capital employed is calculated as adjusted EBITDA less depreciation and amortisation / Capital Employed. Adjusted EBITDA is calculated as EBITDA less other income. Capital Employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities (net) minus deferred tax assets (net).

(j) Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital and other equity excluding revaluation surplus.

Net Debt to EBITDA Ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA

OUR STRENGTHS

Continuous Focus on equipment ownership

Equipment asset management is a critical element of timely delivery of quality infrastructure development and construction projects. We believe that we own a large fleet of modern construction equipment which enables us to reduce our dependence on third party equipment providers and to efficiently manage our project execution schedules. We believe that this also provides us with a competitive advantage over other infrastructure development and construction companies that outsource their construction related activities to external contractors. We have consistently invested in fleets of modern construction equipment. We strive to acquire equipment of the same class and same brand to facilitate the training of operators and help reduce equipment down time and maintenance cost. With multiple projects in progress at any given time, ready access to such equipment is essential to our ability to execute existing projects on time and bid for additional projects. Easy access to our equipment fleet has enabled us to undertake complex and challenging projects and complete our projects efficiently and profitably. As on February 29, 2024, we own and maintain 397 major equipment and machineries including concrete mixer, boom pump, transit mixer, JCBs, roller, mobile tower crane, containers, among others. As on December 31, 2023, the aggregate gross block value of our

Company's property, plant and equipment was ₹759.75 million of which gross block of plant and machinery is ₹511.76 million. In the Fiscal 2023, our Company had spent ₹93.63 million, ₹14.67 million in Fiscal 2022 and ₹28.14 million in Fiscal 2021 and ₹93.75 million for the nine months period ended December 31, 2023, on plant and machinery purchase.

Strong financial performance

The significant growth of our business in the last three Fiscals has contributed significantly to our financial strength. Our Company had achieved revenue from operations of ₹3,224.65 million in nine months period ended December 31, 2023, ₹4,334.55 million in Fiscal 2023, ₹3,630.52 million in Fiscal 2022 and ₹3,107.55 million in Fiscal 2021, representing 19.39%, year-on-year growth and 16.83% year-on-year growth in Fiscal 2023 and Fiscal 2022, respectively.

Our financial snapshot for the nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below.

(₹ in million, *unless stated otherwise)*

Parameter	For nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total income	3,254.57	4,354.60	3,649.87	3,120.38
Total revenue from operations	3,224.65	4,334.55	3,630.52	3,107.55
EBIDTA	638.04	528.93	438.71	351.94
EBIDTA Margin (in %)	19.79%	12.20%	12.08%	11.33%
Net Profit for the Year	265.90	213.95	176.64	129.28
Net Profit Margin (in %)	8.25%	4.94%	4.87%	4.16%

As certified by our Statutory Auditor M/s Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024

Our Strategies

Establish our position in Northern India and expand our foot print in other geographies

We are an established integrated construction and engineering company having our operation in Northern India, particularly in four (4) states, i.e. Punjab, Haryana, Rajasthan, Uttarakhand and two (2) Union Territories i.e. Chandigarh and National Capital Territory of Delhi and intend to grow into one of the leading construction companies in Northern India. Our revenue from operation has grown from ₹3,107.55 million in Fiscal 2021 to ₹4,334.55 million in Fiscal 2023, at a CAGR of 18.10%, and the Company's profit after tax, as restated, has increased from ₹129.28 million in Fiscal 2021 to ₹213.95 million in Fiscal 2023, at a CAGR of 28.64%. Further, our revenue from operation for the nine months period ended December 31, 2023, was ₹3,224.65 million, and the Company's profit after tax, as restated, was ₹265.90 million. We intend to continue to focus on undertaking government projects in Northern India, where we believe we have reputation associated with quality and a track record of successful execution. We believe that economic growth in Northern India is expected to result in an increased demand for government projects. Thus, we intend to continue to leverage our growth and increased execution capacities to consolidate our position in Northern India market.

We also intend to expand our geographical footprint and grow our business by bidding for and undertaking Construction & Infrastructure Projects outside the Northern region of the country. To control diversification risks, we may at first, strengthen our position in the areas where our core competencies lie before we undertake expansion to other geographies. Through an increasingly diversified portfolio, we hope to broaden our revenue base and also hedge against risks in specific areas or projects and protect ourselves from fluctuations resulting from business concentration in limited geographical areas.

PROJECT

We undertake Construction & Infrastructure Projects as an EPC service on a fixed-sum turnkey basis and also on item-rate / percentage basis. Our revenue based on the mode of the projects that we execute for nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below:

(₹ in million, unless otherwise stated)

Our operations	As at and for the nine months period ended December 31, 2023	As % of Revenue from Operations	Fiscal 2023	As % of Revenue from Operations	Fiscal 2022	As % of Revenue from Operations	Fiscal 2021	As % of Revenue from Operations
EPC projects	1,451.22	45.00%	829.20	19.13%	757.30	20.86%	1,032.44	33.22%
Item-rate / percentage basis projects	1,626.58	50.44%	2,644.23	61.00%	2,244.24	61.82%	1,885.29	60.67%
Total	**3,077.80**	**95.45%**	**3,473.43**	**80.13%**	**3,001.54**	**82.68%**	**2,917.73**	**93.89%**

As certified by our Statutory Auditor M/s Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024

Equipment & Fleet

In addition, we also enter in rental arrangement whereby we rent the equipment on the basis of our requirement from local players. As on December 31, 2023, we rented equipment such as, JCB, tractors, cranes, etc. on rent basis as per our requirement. Our rental expense for the nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 was ₹31.36 million, ₹19.14 million, ₹14.85 million and ₹6.08 million which constituted 0.97% and 0.44%, 0.41% and 0.20% respectively, of our revenue from operations.

Our Customer Base

The revenue and percentage of revenue from operations derived from our top clients is given below:

(in ₹ million)

S. No.	Particulars	For nine months period ended December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
		Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations	Revenue	As a % of revenue from operations
	Revenue from Top five (5) Clients	2,958.68	91.75	3,094.37	71.39	2,723.38	75.01	2,440.38	78.53
	Revenue from Top ten (10) Clients	3,077.80	95.45	3,473.43	80.13	2,999.31	82.61	2,917.73	93.89

* *As certified by our Statutory Auditor M/s Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024*

RESTATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED FINANCIAL STATEMENTS

To,
The Board of Directors
Deepak Builders & Engineers India Limited
Ludhiana

Dear Sirs / Madams,

1. We have examined the attached Restated Financial Statement of **Deepak Builders & Engineers India Limited**, (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at December 31, 2023, March 31, 2023, March 31 2022 and March 31, 2021, the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Statement of Changes in Equity and Restated Statement of Cash Flows for the period ended December 31, 2023 and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, and the Summary of Significant Accounting Policies and other explanatory information (collectively, the 'Restated Financial Information'), as approved by the Board of Directors of the Company at their meeting held on May 24, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") prepared in terms of the requirements of:

   a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and

   c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").

Management's Responsibility for the Restated Summary Statements

2. The preparation of the Restated Summary Statements, which are to be included in the DRHP to be filed with SEBI, ROC and the Stock Exchanges in connection with the proposed IPO is the responsibility of the Management of the Company. The Restated Summary Statements have been prepared by the Management of the Company on the basis of preparation, as stated in Note 2.1 to the Restated Summary Statements. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Summary Statements. The Management is also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

Auditors' Responsibilities

3. We have examined such Restated Summary Statements taking into consideration:

   a) The terms of reference and terms of our engagement agreed with you vide our engagement letter dated February 9, 2024, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;

   b) The Guidance Note also requires that we comply with ethical requirements of the Code of Ethics Issued by ICAI.

   c) Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Summary Statements; and

   d) the requirements of Section 26 of the Act and the ICDR Regulations.

   Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Offer.

Restated Summary Statements

4. These Restated Summary Statements have been compiled by the management of the Company from:

a) Audited Interim Financial Statements of the Company as at and for the period ended December 31, 2023 which were prepared in accordance with the Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015 and accounting principle generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 24, 2024.

b) Audited Financial Statements of the Company as at and for the year ended March 31, 2023 which were prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on February 09, 2024.

c) Audited Financial Statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on September 6, 2022 and August 23, 2021.

d) The information for the years ended March 31, 2022 and March 31, 2021 included in such restated financial statements have been prepared by the management by making Ind AS adjustments to the audited financial statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the Accounting Standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the Board of Directors at their meeting held on March 26, 2024.

5. We have re-audited the special purpose financial information of the Company for the year ended March 31, 2023 prepared by the Company in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR regulations in relation to proposed IPO. We have issued our report dated February 09, 2024 on these special purpose financial information to the Board of Directors who have approved these Special Purpose Information in their meeting held on February 09, 2024.

Auditor's Report

6. For the purpose of our examination, we have relied on:

a) Auditors' report issued by us, dated May 24, 2024, on the Ind AS financial Statements of the Company as at and for the period ended December 31, 2023 as referred in Paragraph 4(a) above.

b) Auditors' report issued by us, dated February 09, 2024, on the re-audited financial statements of the Company as at and for the year ended March 31, 2023 as referred in Paragraph 4(b) above.

c) Auditors' reports issued by the Previous Auditors, M/s Krishan Goel & Associates, Chartered Accountants, (the "Previous Auditors"), dated September 6, 2022 and August 23, 2021 on the Financial Statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021, respectively, as referred in Paragraph 4(c) above.

The Ind AS and restatement adjustments made to such financial statements (referred to in 6 (b) above) to comply with Ind AS and the basis set out in Note 2 to the Restated Financial Information, have been audited by us.

7. Based on our examination and according to the information and explanations given to us, we report that Restated Summary Statements of the Company –

i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping / classifications, to the extent applicable followed as at and for the period ended December 31, 2023;

ii. does not contain any qualification requiring adjustments.

iii. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. These Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates for the special purpose Interim Ind AS Financial Statements and Audited Financial Statements mentioned in the paragraph 4 above.

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is intended solely for the use of the Board of Directors for inclusion in the DRHP to be filed with SEBI, ROC and the Stock Exchanges in connection with the proposed Offer. Our report should not be used, referred to, or distributed for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

For Parmod G Gupta & Associates
Chartered Accountants
Firm Registration No. – 018870N

Sd/-

Parmod Gupta
Partner
Membership No. – 096109
UDIN – 24096109BKDRZV4367

Ludhiana
24.05.2024

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

RESTATED STATEMENT OF ASSETS AND LIABILITIES

(All Amount in ₹ Millions, unless otherwise stated)

S. No.	Particulars	Notes	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
I	**ASSETS**					
1	**Non-Current Assets**					
(a)	Property, Plant & Equipment and Intangibles Assets					
	(i) Property, Plant and Equipment	3	534.31	508.63	509.03	506.46
	(ii) Right of Use Asset	3(a)(i)	107.54	-	-	-
(b)	Financial Assets					
	(i) Investments	4	-	-	0.67	0.67
	(ii) Other Financial Assets	5	723.30	676.77	472.64	298.26
(c)	Other Non-Current Assets	6	409.13	268.21	220.34	36.27
	Sub-Total		**1,774.28**	**1,453.61**	**1,202.68**	**841.66**
2	**Current Assets**					
(a)	Inventories	7	2,042.52	1,700.00	691.12	246.25
(b)	Financial Assets					
	(i) Trade Receivables	8	678.24	975.08	958.00	1,077.35
	(ii) Cash & Cash Equivalents	9	61.70	31.70	2.38	47.83
(c)	Current Tax Assets (Net)	10	-	-	18.31	6.87
(d)	Other Current Assets	11	383.96	332.59	349.35	211.73
	Sub-Total		**3,166.42**	**3,039.37**	**2,019.16**	**1,590.03**
	Total Assets		**4,940.70**	**4,492.98**	**3,221.84**	**2,431.69**
II	**EQUITY AND LIABILITIES**					
1	**Equity**					
(a)	Equity Share Capital	12	358.81	358.81	358.81	358.81
(b)	Other Equity	13	905.73	646.62	488.38	324.31
	Sub-Total		**1,264.54**	**1,005.43**	**847.19**	**683.12**
2	**Liabilities**					
(a)	**Non-Current Liabilities**					
(i)	Financial Liabilities					
	(1) Borrowings	14	745.41	331.78	314.97	257.35
	(2) Lease Liabilities	3(a)(ii)	34.94	-	-	-
	(3) Other Financial Liabilities	15	15.08	15.47	9.89	9.30
(ii)	Provisions	16	10.51	6.55	4.78	-
(iii)	Other Non-Current Liabilities	17	778.15	1,031.34	395.91	328.61
(iv)	Deferred Tax Liabilities (Net)	18	16.81	23.54	44.69	48.19
	Sub-Total		**1,600.90**	**1,408.68**	**770.24**	**643.45**
(b)	**Current Liabilities**					
(i)	Financial Liabilities					
	(1) Borrowings	19	752.47	633.94	481.51	410.98
	(2) Lease Liabilities	3(a)(ii)	1.17	-	-	-
	(3) Trade Payables	20				
	(A) Due to MSME		437.17	752.57	37.52	28.33
	(B) Due to Other than MSME		624.80	419.80	786.02	613.06
	(4) Other Financial Liabilities	21	95.65	81.00	43.49	36.04
(ii)	Provisions	16	3.29	2.23	0.48	-
(iii)	Other Current Liabilities	22	150.77	185.72	255.39	16.71
(iv)	Current Tax Liabilities (Net)	23	9.94	3.61	-	-
	Sub-Total		**2,075.26**	**2,078.87**	**1,604.41**	**1,105.12**
	Total Equity & Liabilities		**4,940.70**	**4,492.98**	**3,221.84**	**2,431.69**
	Summary of Significant Accounting Policies	2				

The accompanying notes are the integral part of the Financial Statements

For Parmod G Gupta & Associates
Chartered Accountants
Firm Registration No. - 018870N

Sd/-

Parmod Gupta
Partner
Membership No. - 096109

Ludhiana
24.05.2024

For and on behalf of the Board of Directors
Deepak Builders & Engineers India Limited

Sd/-	Sd/-
Deepak Kumar Singal	**Sunita Singal**
C.M.D.	*Wholetime Director*
DIN - 01562688	*DIN - 01534585*
Sd/-	Sd/-
Rishabh Gupta	**Anil Kumar**
Chief Financial Officer	*Company Secretary*

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

RESTATED STATEMENT OF PROFIT AND LOSS

(All Amount in ₹ Millions, unless otherwise stated)

S. No.	Particulars	Notes	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
	Continuing Operations					
I	**Income**					
1	Revenue from Operations (Gross)	24	3,804.82	5,073.40	4,160.01	3,510.48
1.1	**Less** - GST		580.17	738.85	529.49	402.93
1.2	**Revenue from Operations (Net)**		**3,224.65**	**4,334.55**	**3,630.52**	**3,107.55**
2	Other Income	25	29.92	20.05	19.35	12.83
	Total Income		**3,254.57**	**4,354.60**	**3,649.87**	**3,120.38**
II	**Expenses**					
1	Cost of Material Consumed	26	1,732.51	2,890.76	2,493.17	2,222.44
2	Construction Expenses	27	588.63	671.37	494.80	303.21
3	Employee Benefits Expenses	28	212.38	204.33	164.65	208.00
4	Finance Costs	29	223.23	185.97	165.26	138.81
5	Depreciation and Amortization Expense	30	56.52	55.70	35.99	32.80
6	Other Expenses	31	83.01	59.21	58.54	34.79
	Total Expenses		**2,896.28**	**4,067.34**	**3,412.41**	**2,940.05**
III	**Profit before Tax & Exceptional Items from Continuing Operations (I - II)**		**358.29**	**287.26**	**237.46**	**180.33**
IV	Exceptional Items		-	-	-	-
V	**Profit before Tax from Continuing Operations (III - IV)**		**358.29**	**287.26**	**237.46**	**180.33**
VI	**Tax Expense for Continuing Operations**					
1	Current Tax	10 & 23	96.16	75.73	60.09	44.69
2	Deferred Tax	18	(4.45)	(2.42)	0.73	6.36
3	Tax Adjustments relating to Previous Years		0.68	-	-	-
	Total Tax Expense		**92.39**	**73.31**	**60.82**	**51.05**
VII	**Profit for the year from Continuing Operations(V - VI)**		**265.90**	**213.95**	**176.64**	**129.28**
VIII	**Other Comprehensive Income**	32				
1	**Items that will not to be reclassified to Statement of Profit or Loss**					
(a)	Re-Measurement Gain / (Losses) on Defined Benefit Plans		1.62	(0.90)	(3.51)	-
(b)	Re-Measurement Gain / (Losses) on PPE		(10.69)	(73.54)	(13.30)	180.80
(c)	Income Tax Effect		2.28	18.73	4.23	(38.22)
	Net Comprehensive Income not to be reclassified to Statement of Profit or Loss in the Subsequent Periods		**(6.79)**	**(55.71)**	**(12.58)**	**142.58**
2	**Other Comprehensive Income for the Year, net of Tax**		**(6.79)**	**(55.71)**	**(12.58)**	**142.58**
IX	**Total Comprehensive Income of the Year, net of Tax (VII + VIII)**		**259.11**	**158.24**	**164.06**	**271.86**
X	**Earnings per Share for Continuing Operations**					
1	Basic *(In ₹)*	33	7.41	5.96	4.92	3.60
2	Diluted *(In ₹)*	33	7.41	5.96	4.92	3.60
	Summary of Significant Accounting Policies	2				

The accompanying notes are the integral part of the Financial Statements

For Parmod G Gupta & Associates
Chartered Accountants
Firm Registration No. - 018870N

Sd/-

Parmod Gupta
Partner
Membership No. - 096109

Ludhiana
24.05.2024

For and on behalf of the Board of Directors
Deepak Builders & Engineers India Limited

Sd/-	Sd/-
Deepak Kumar Singal *C.M.D.* *DIN - 01562688*	**Sunita Singal** *Wholetime Director* *DIN - 01534585*
Sd/-	Sd/-
Rishabh Gupta *Chief Financial Officer*	**Anil Kumar** *Company Secretary*

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

RESTATED STATEMENT OF CASH FLOW

(All Amount in ₹ Millions, unless otherwise stated)

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
I	**Cash Flow from Operating Activities**				
	Profit before Tax from Continuing Operations	**358.29**	**287.26**	**237.46**	**180.33**
A	**Adjustment to Reconcile Profit before Tax to Net Cash Flows**				
	Non-Cash Adjustments				
1	Depreciation and Amortisation Expenses	56.52	55.70	35.99	32.80
2	Interest Cost	163.21	137.71	127.75	100.17
3	Interest on Lease Liability	2.95	-	-	-
4	(Profit) / Loss on Sale of Property, Plant & Equipment	(1.11)	2.19	-	0.66
5	Allowances for Expected Credit Loss	9.02	1.02	6.30	-
6	Adjustment in Reserves	-	-	-	(34.15)
7	Asset Written Off	0.24	-	-	-
8	Investment Written Off	-	0.67	-	-
9	Preliminary Expenses	-	0.91	0.43	0.43
10	Gain on Valuation of Financial Instruments	(2.26)	-	-	-
B	**Operating Profit before Working Capital Changes**	**586.86**	**485.46**	**407.93**	**280.24**
	Adjustments				
1	(Increase) / Decrease in Trade Receivables	296.84	(17.08)	119.35	(520.99)
2	(Increase) / Decrease in Inventories	(342.52)	(1,008.88)	(444.87)	442.11
3	(Increase) / Decrease in Other Assets	(201.31)	(14.30)	(321.54)	(16.52)
4	(Increase) / Decrease in Other Financial Assets	(122.77)	(204.56)	(174.38)	37.71
5	Increase / (Decrease) in Trade Payables	(110.40)	348.83	182.15	94.36
6	Increase / (Decrease) in Other Liabilities	(288.14)	565.76	305.98	(238.37)
7	Increase / (Decrease) in Other Financial Liabilities	14.26	43.09	8.04	31.89
8	Increase / (Decrease) in Provisions	6.64	2.62	1.75	-
C	**Cash Generated from Operations**	**(160.54)**	**200.94**	**84.41**	**110.43**
1	Income Tax Paid	90.51	72.12	78.40	51.56
	Net Cash Generated from Operating Activities (I)	**(251.05)**	**128.82**	**6.01**	**58.87**
II	**Cash Flows from Investing Activities**				
1	Purchase of Plant, Property and Equipments	(109.34)	(134.42)	(51.86)	(35.12)
2	Proceeds from Sale of Property, Plant & Equipments	23.60	3.39	-	1.20
	Net Cash Generated / (Used In) Investing Activities (II)	**(85.74)**	**(131.03)**	**(51.86)**	**(33.92)**
III	**Cash Flows from Financing Activities**				
1	Proceeds from Long Term Borrowings Including Current Maturity (Net)	236.49	112.73	151.71	134.88
2	Proceeds from Short Term Borrowings (Net)	295.67	56.51	(23.56)	(19.41)
3	Payment of Lease Liability	(2.16)	-	-	-
4	Interest Paid	(163.21)	(137.71)	(127.75)	(100.17)
	Net Cash Generated / (Used In) Financing Activities (III)	**366.79**	**31.53**	**0.40**	**15.30**
D	**Net Increase in Cash and Cash Equivalents (I + II + III)**	30.00	29.32	(45.45)	40.25
E	Cash and Cash Equivalents at the beginning of the year	31.70	2.38	47.83	7.58
F	**Cash and Cash Equivalents at year end**	**61.70**	**31.70**	**2.38**	**47.83**

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
	Components of Cash and Cash Equivalents				
1	Balances with banks -				
	In Current Account	60.68	27.41	1.42	45.73
2	Cash In Hand	1.02	4.29	0.96	2.10
	Total cash and cash equivalents	**61.70**	**31.70**	**2.38**	**47.83**

For Parmod G Gupta & Associates
Chartered Accountants
Firm Registration No. - 018870N

Sd/-

Parmod Gupta
Partner
Membership No. - 096109

Ludhiana
24.05.2024

For and on behalf of the Board of Directors
Deepak Builders & Engineers India Limited

Sd/-

Deepak Kumar Singal
C.M.D.
DIN - 01562688

Sd/-

Sunita Singal
Wholetime Director
DIN - 01534585

Sd/-

Rishabh Gupta
Chief Financial Officer

Sd/-

Anil Kumar
Company Secretary

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

RESTATED STATEMENT OF CHANGES IN EQUITY

(All Amount in ₹ Millions, unless otherwise stated)

A Equity Share Capital

S. No.	Particulars	No. of Equity Shares	Amount
1	**As at April 1, 2020**	**3,58,80,860**	**358.81**
2	Issued during the year	-	-
3	Deletions during the year	-	-
4	**As at March 31, 2021**	**3,58,80,860**	**358.81**
5	Issued during the year	-	-
6	Deletions during the year	-	-
7	**As at March 31, 2022**	**3,58,80,860**	**358.81**
8	Issued during the year	-	-
9	Deletions during the year	-	-
10	**As at March 31, 2023**	**3,58,80,860**	**358.81**
11	Issued during the period	-	-
12	Deletions during the period	-	-
13	**As at December 31, 2023**	**3,58,80,860**	**358.81**

B Other Equity

S. No.	Particulars	Retained Earnings	Other Comprehensive Income	Total Other Equity
			Revaluation Surplus	
1	**As at April 1, 2020**	**86.60**	**-**	**86.60**
2	**Add** - Profit for the year	129.28	-	129.28
3	**Add** - Other comprehensive income (Net of Tax)	-	142.58	142.58
4	**Less** - Previous Year Tax Adjustments	(34.15)	-	(34.15)
5	**As at March 31, 2021**	**181.73**	**142.58**	**324.31**
6	**Add** - Profit for the year	176.64	-	176.64
7	**Add** - Other comprehensive income (Net of Tax)	(2.62)	-	(2.62)
8	**Less** - Additional Depreciation Charged during the year	-	(9.95)	(9.95)
9	**As at March 31, 2022**	**355.75**	**132.63**	**488.38**
10	**Add** - Profit for the year	213.95	-	213.95
11	**Add** - Other comprehensive income (Net of Tax)	(0.68)	-	(0.68)
12	**Less** - Additional Depreciation Charged during the year	-	(55.03)	(55.03)
13	**As at March 31, 2023**	**569.02**	**77.60**	**646.62**
14	**Add** - Profit for the period	265.90	-	265.90
15	**Add** - Other comprehensive income (Net of Tax)	1.21	-	1.21
16	**Less** - Additional Depreciation Charged during the period	-	(8.00)	(8.00)
17	**As at December 31, 2023**	**836.13**	**69.60**	**905.73**

For Parmod G Gupta & Associates
Chartered Accountants
Firm Registration No. - 018870N

Sd/-

Parmod Gupta
Partner
Membership No. - 096109

Ludhiana
24.05.2024

For and on behalf of the Board of Directors
Deepak Builders & Engineers India Limited

Sd/-	Sd/-
Deepak Kumar Singal	**Sunita Singal**
C.M.D.	*Wholetime Director*
DIN - 01562688	*DIN - 01534585*
Sd/-	Sd/-
Rishabh Gupta	**Anil Kumar**
Chief Financial Officer	*Company Secretary*

1. Corporate Information

Deepak Builders & Engineers India Limited ("the Company") is a **Public Limited Company** domiciled in India and incorporated on **September 11, 2017** under the provision of **Companies Act, 2013** as Private Limited Company vide CIN – **U45309DL2017PTC323467**. The company was converted to Public Limited Company vide **CIN - U45309DL2017PLC323467** on **October 12, 2022**. The Registered Office of the Company is located at **Ahluwalia Chambers, 1st Floor, Plot No. 16 & 17, Local Shopping Centre, Madangir, Near Pushpa Bhawan, South Delhi, New Delhi – 110062**.

The Company is presently engaged in the business of Construction Contract Works and Construction of Infrastructure Facilities including Hospitals, Flyovers / Bridges / ROB / RUB, Roads, Buildings etc.

The Restated Summary Statements for the period ended December 31, 2023 and year ended March 31, 2023, March 31, 2022, and March 31, 2021, were approved for issue in accordance with resolution of the Board of Directors on May 24, 2024.

2. Significant Accounting Policies

2.1 Basis of Preparation of and compliance with Ind AS

The Restated Summary Statements comprises of the Restated Statement of Assets and Liabilities of the Company as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the related Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for each of the period / years ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, and the summary of Accounting Policies and explanatory notes ("Restated Summary Statements")

These Restated Summary Statements have been prepared by the Management of the Company in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on September 11, 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Red Herring Prospectus ("RHP" or "Offering Document") in connection with the proposed initial public offering of equity shares of face value of Rs. 10 each of the Company comprising a fresh issue of equity shares and an offer of sale of equity shares held by the selling shareholders (Collectively the "Offer"). These Restated Summary Statements have been prepared by the Company to comply in all material respects with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act").
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the "Guidance Note").

These Restated Summary Statements have been compiled by the Management from:

a) Audited Interim Financial Statements of the Company as at and for the period ended December 31, 2023 which were prepared in accordance with the accounting principle generally accepted in India including Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, which have been approved by the Board of Directors at their meeting held on May 24, 2024.

b) Audited Financial Statements of the Company as at and for the year ended March 31, 2023 which were prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on February 09, 2024.

c) Audited Financial Statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on September 6, 2022 and August 23, 2021.

d) The information for the years ended March 31, 2022 and March 31, 2021 included in such restated financial statements have been prepared by the management by making Ind AS adjustments to the audited financial statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the Accounting Standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the Board of Directors at their meeting held on March 26, 2024.

The accounting policies have been consistently applied by the Company in preparation of the Restated Summary Statements and are consistent with those adopted in the preparation of Audited Financial Statements for the period ended December 31, 2023. These Restated Summary Statements have been prepared by the Company on the basis that it will continue to operate as a going concern.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,
- Certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The Financial Statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest **Millions** (Rs. 1,000,000) except wherever otherwise stated.

2.2 Summary of Significant Accounting Policies

(A) Current versus Non-Current Classification

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:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified 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.

(B) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(C) Foreign Currency

(i) Functional and Presentation Currency

The financial statements of the Company are presented using Indian Rupee (Rs.), which is also our functional currency i.e. currency of the primary economic environment in which the company operates.

(ii) Transactions and Balances

Foreign currency transactions are translated into the respective functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

(D) Property, Plant and Equipment

PPE is recognised 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. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, Plant and Equipment acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

PPE not ready for the intended use as on the date of the Balance Sheet are disclosed as "Capital Work In Progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions).

Depreciation is recognised using **Straight Line Method** so as to write off the cost of the assets (other than freehold land & immovable properties) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic-benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to / deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar assets.

Freehold land is not depreciated.

(E) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

Intangible assets are amortised on Straight-Line Basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

(F) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely, independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI upto the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate; and when circumstances indicate that the carrying value may be impaired.

(G) Non-Current Assets Held For Sale

The Company classifies non-current assets and disposal groups as 'Held for Sale' if their carrying amounts will be recovered principally through a sale rather than through continuing use and sale is highly probable i.e. actions required to complete the sale indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, Plant and Equipment and intangible assets once classified as held for sale are not depreciated or amortised.

(H) Earnings per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company 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.

(I) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(J) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(K) Investment Property

Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using Straight-Line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognision of property is recognised in the Statement of Profit and Loss in the same period.

(L) Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value.

The basis of determining costs for various categories of inventories is as follows:

(i) Raw Materials

Raw Material is valued at lower of cost or net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other expenditure directly attributable to the acquisition.

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.

(ii) Stores & Spares and Consumables

It includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

(iii) Work-In-Progress
Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

(iv) Traded Goods
Lower of cost and net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other costs incurred in bringing 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.

(M) Leases

(i) Company as a Lessee
The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

1) Right-of-Use Assets
The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line basis from the commencement date to the end of lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as mentioned in the Impairment of non-financial assets section of the accounting policies of the company.

2) Lease Liabilities
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

3) Short Term Leases and Leases of Low Value of Assets
The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(ii) Company as a Lessor
Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(N) Financial Instruments
(i) Initial Recognition
Financial instruments i.e. Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial instruments, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial instruments assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

(ii) Financial Assets

Subsequent Measurement

All recognised financial assets are subsequently measured at amortized cost using effective interest method except for financial assets carried at fair value through Profit and Loss (FVTPL) or fair value through Other Comprehensive Income (FVTOCI).

1) Equity Investments in Subsidiaries, Associates and Joint Venture

The Company accounts for its investment in subsidiaries, joint ventures and associates and other equity investments in subsidiary companies at cost in accordance with Ind AS 27 - 'Separate Financial Statements'.

2) Equity Investments (other than investments in subsidiaries, associates and joint venture)

All equity investments falling within the scope of **Ind-AS 109** are mandatorily measured at Fair Value through Profit and Loss (FVTPL) with all fair value changes recognized in the Statement of Profit and Loss.

The Company has an irrevocable option of designating certain equity instruments as FVTOCI. Option of designating instruments as FVTOCI is done on an instrument-by-instrument basis. The classification made on initial recognition is irrevocable.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument are recognized in Statement of Other Comprehensive Income (SOCI). Amounts from SOCI are not subsequently transferred to profit and loss, even on sale of investment.

3) Investment in Preference Shares

Investment in preference shares are classified as debt instruments and carried at amortised cost if they are not convertible into equity instruments and are not held to collect contractual cash flows. Other Investment in preference shares which are classified as debt instruments are carried at FVTPL.

Investment in convertible preference shares of subsidiary, associate and joint venture companies are treated as equity instruments and carried at cost. Other Investment in convertible preference shares which are classified as equity instruments are mandatorily carried at FVTPL.

4) De-recognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement; and with that –

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

5) Impairment of Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. **Ind AS 109** requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(iii) Financial Liabilities

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Subsequent measurement

The company have all the borrowings at floating interest rate. Being variable interest rate, it is not possible to estimate future cash flows. Borrowings are recognised initially at an amount equal to the principal receivable or payable on maturity. So, re-estimating the future cash flows has no significant impact on the carrying value of Borrowings. Transaction costs are not material to be included in the EIR calculation. So the carrying value is being considered as amortised cost for all the borrowings bearing a floating interest rate. For trade and other payables maturing within one year from the balance sheet date, the carrying are Amortised Cost.

Financial Liabilities recognised at FVTPL, including derivatives, are subsequently measured at fair value.

1) Compound Financial Instruments

Compound financial instruments issued by the company is an instrument which creates a financial liability on the issuer and which can be converted into fixed number of equity shares at the option of the holders.

Such instruments are initially recognised by separately accounting the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequently.

2) Financial Guarantee Contracts

Financial guarantee contracts are initially recognised as a liability at fair value. The liability is subsequently measured at carrying amount less amortization or amount of loss allowance determined as per impairment requirements of **Ind AS 109**, whichever is higher. Amortisation is recognised as finance income in the Statement of Profit and Loss.

3) De-Recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Re-classification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets, such as equity instruments designated at FVTPL or FVTOCI and financial liabilities or financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

O) Revenue Recognition

(i) Revenue

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

1) Revenue from Construction Contracts

Performance obligation in case of long – term construction contracts is satisfied over a period of time, since the Company creates an asset that the customer controls as the asset is created and the Company has an enforceable right to payment for performance completed to date if it meets the agreed specifications.

The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The percentage of completion method (an input method) is the most faithful depiction of the company's performance because it directly measures the value of the services transferred to the customer.

The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities".

Revenue billings are done based on milestone completion basis or Go-live of project basis. Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract. In case of long - term construction contracts payment is generally due upon completion of milestone as per terms of contract. In certain contracts, short-term advances are received before the performance obligation is satisfied.

The major component of contract estimate is "budgeted cost to complete the contract" and on assumption that contract price will not reduce vis-à-vis agreement values. While estimating the various assumptions are considered by management such as:

- Work will be executed in the manner expected so that the project is completed timely;
- Consumption norms will remain same;
- Cost escalation comprising of increase in cost to compete the project are considered as a part of budgeted cost to complete the project etc.
  Due to technical complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Service Contracts

For service contracts (including maintenance contracts) in which the company has the right to consideration from the customer in an amount that corresponds directly with the value to the customer of the company's performance completed to date, revenue is recognized when services are performed and contractually billable.

Sale of Goods

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer.

Warranty Obligation

The Company provides for contractual obligations to periodically service, repair or rectify any defective work during the defect liability period as well as towards contractual obligations to restore the infrastructure at periodic intervals. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost. The same is reviewed at each balance sheet date and adjustments if any to the carrying amount is provided for accordingly.

Variable Consideration

The nature of the Company's contracts gives rise to several types of variable consideration, including claims, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The company estimates the amount of revenue to be recognized on variable consideration using the expected value (i.e., the sum of a probability-weighted amount) or the most likely amount method, whichever is expected to better predict the amount.

The Company's claim for extra work, incentives and escalation in rates relating to execution of contracts are recognized as revenue in the year in which said claims are finally accepted by the customers. Claims under arbitration / disputes are accounted as income based on final award. Expenses on arbitration are accounted as incurred. Claims – are recognised on its approval from customer / authority / court decision or its surety of receipt (not on assessment).

2) Insurance & Other Claims

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

(ii) Contract Balances

1) 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.

Contract assets represent revenue recognized in excess of amounts billed and include unbilled receivables. Unbilled receivables, which represent an unconditional right to payment subject only to the passage of time, are reclassified to accounts receivable when they are billed under the terms of the contract.

2) Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

3) Contract Liabilities

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.

Contract liabilities include unearned revenue which represent amounts billed to clients in excess of revenue recognized to date and advances received from customers. For contracts where progress billing exceeds, the aggregate of contract costs incurred to date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as unearned revenue. Amounts received before the related work is performed are disclosed in the balance sheet as contract liability and termed as advances received from customers.

P) Interest Income

For all debt instruments measured at amortized 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 instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head "**Other Income**" in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "**Other Income**" in the statement of profit and loss.

Q) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

(i) Borrowing Cost under Service Concession Arrangements

Borrowing costs attributable to the construction of qualifying assets under service concession arrangement classified as intangible asset, are capitalised to the date of its intended use.

Borrowing costs attributable to concession arrangement classified as financial assets are charged to Statement of Profit and Loss in the period in which such costs are incurred.

(ii) Other borrowing costs are charged to Statement of Profit and Loss in the period in which they are incurred.

R) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated as at the balance sheet date. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Other Litigation Claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

Onerous Contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognises impairment on the assets with the contract.

S) Taxes

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate and changes in deferred tax assets and liabilities attributable to temporary differences. The current income tax charge is calculated in accordance with the provisions of the Income Tax Act 1961.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and brought forward losses only if it is probable that future taxable profit will be available to realise the temporary differences.

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 recognised in profit or 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.

T) Employee Benefits

(i) Short-Term obligations

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. These are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post-Employment obligations i.e.

- Defined benefit plans and
- Defined contribution plans

Defined Benefit Plans

The present value of obligation is determined based on actuarial valuation carried out as at the end of each financial year using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

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

Defined Contribution Plans

The Company's contribution to provident fund, employee state insurance scheme, superannuation fund and National Pension Scheme (NPS) are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employee.

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

3 Property, Plant & Equipment and Intangible Assets

3.1 The details of Property, Plant & Equipment (Net)

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Immovable Properties	77.75	75.93	75.93	75.93
2	Furniture and Fixture	3.62	3.66	3.65	3.50
3	Vehicles	56.46	95.81	109.87	91.78
4	Plant & Machinery	376.84	317.21	311.36	326.68
5	Office Equipments	17.24	13.96	6.57	6.23
6	Computer & Computer Peripherals	2.40	2.06	1.65	2.34
	Total	**534.31**	**508.63**	**509.03**	**506.46**

3.2 Property, Plant & Equipment

S. No.	Particulars	Immovable Properties	Furniture and Fixture	Vehicles	Plant & Machinery	Office Equipments	Computer & Computer Peripherals	Total
A	**GROSS BLOCK**							
1	**As at April 1, 2020**	**46.98**	**2.94**	**93.03**	**227.56**	**5.48**	**2.27**	**378.26**
2	Additions	-	1.45	1.50	28.14	2.78	1.25	35.12
3	Disposals / Adjustment	-	-	2.74	-	-	-	2.74
4	Revaluation Recognised in OCI	28.95	-	32.05	119.80	-	-	180.80
5	**As at March 31, 2021**	**75.93**	**4.39**	**123.84**	**375.50**	**8.26**	**3.52**	**591.44**
6	Additions	-	0.62	33.98	14.67	2.12	0.47	51.86
7	Disposals	-	-	-	-	-	-	-
8	**As at March 31, 2022**	**75.93**	**5.01**	**157.82**	**390.17**	**10.38**	**3.99**	**643.30**
9	Additions	-	1.08	28.23	93.63	9.77	1.71	134.42
10	Disposals / Adjustment	-	1.86	34.03	65.79	-	1.92	103.60
11	**As at March 31, 2023**	**75.93**	**4.23**	**152.02**	**418.01**	**20.15**	**3.78**	**674.12**
12	Additions	2.06	0.37	5.07	93.75	6.75	1.34	109.34
13	Disposals / Adjustment	0.24	-	23.47	-	-	-	23.71
14	**As at December 31, 2023**	**77.75**	**4.60**	**133.62**	**511.76**	**26.90**	**5.12**	**759.75**
B	**ACCUMULATED DEPRECIATION**							
1	**As at April 1, 2020**	**-**	**0.54**	**21.86**	**29.65**	**0.72**	**0.29**	**53.06**
2	Charge for the year	-	0.35	11.08	19.17	1.31	0.89	32.80
3	Disposals / Adjustments	-	-	0.88	-	-	-	0.88
4	**As at March 31, 2021**	**-**	**0.89**	**32.06**	**48.82**	**2.03**	**1.18**	**84.98**
5	Charge for the year	-	0.47	12.08	20.50	1.78	1.16	35.99
6	Charge for the year in Revaluation Surplus	-	-	3.81	9.49	-	-	13.30
7	Disposals / Adjustments	-	-	-	-	-	-	-
8	**As at March 31, 2022**	**-**	**1.36**	**47.95**	**78.81**	**3.81**	**2.34**	**134.27**
9	Charge for the year	-	0.98	21.33	29.80	2.38	1.21	55.70
10	Charge for the year in Revaluation Surplus	-	-	18.27	55.27	-	-	73.54
11	Disposals / Adjustments	-	1.77	31.34	63.08	-	1.83	98.02
12	**As at March 31, 2023**	**-**	**0.57**	**56.21**	**100.80**	**6.19**	**1.72**	**165.49**
13	Charge for the period	-	0.41	17.08	28.28	3.47	1.00	50.24
14	Charge for the year in Revaluation Surplus	-	-	4.85	5.84	-	-	10.69
15	Disposals / Adjustments	-	-	0.98	-	-	-	0.98
16	**As at December 31, 2023**	**-**	**0.98**	**77.16**	**134.92**	**9.66**	**2.72**	**225.44**
C	**NET BLOCK**							
1	**As at December 31, 2023**	**77.75**	**3.62**	**56.46**	**376.84**	**17.24**	**2.40**	**534.31**
2	**As at March 31, 2023**	**75.93**	**3.66**	**95.81**	**317.21**	**13.96**	**2.06**	**508.63**
3	**As at March 31, 2022**	**75.93**	**3.65**	**109.87**	**311.36**	**6.57**	**1.65**	**509.03**
4	**As at March 31, 2021**	**75.93**	**3.50**	**91.78**	**326.68**	**6.23**	**2.34**	**506.46**

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

3(a)

(i) Right of Use Asset (Refer Note 44)

S. No.	Particulars	Office Building
A	**GROSS BLOCK**	
1	**As at April 1, 2020**	**-**
2	Additions	-
3	Disposals / Adjustment	-
4	**As at March 31, 2021**	**-**
5	Additions	-
6	Disposals	-
7	**As at March 31, 2022**	**-**
8	Additions	-
9	Disposals / Adjustment	-
10	**As at March 31, 2023**	**-**
11	Additions	113.82
12	Disposals / Adjustment	-
13	**As at December 31, 2023**	**113.82**

B	**ACCUMULATED DEPRECIATION**	
1	**As at April 1, 2020**	**-**
2	Charge for the year	-
3	Disposals / Adjustments	-
4	**As at March 31, 2021**	**-**
5	Charge for the year	-
6	Disposals / Adjustments	-
7	**As at March 31, 2022**	**-**
8	Charge for the year	-
9	Disposals / Adjustments	-
10	**As at March 31, 2023**	-
11	Charge for the period	6.28
12	Disposals / Adjustments	-
13	**As at December 31, 2023**	**6.28**

C	**NET BLOCK**	
1	**As at December 31, 2023**	**107.54**
2	**As at March 31, 2023**	**-**
3	**As at March 31, 2022**	**-**
4	**As at March 31, 2021**	**-**

(ii) Lease Liability (Refer Note 44)

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Opening Lease Liability**	-	-	-	-
2	Addition	35.32	-	-	-
3	Deletion	-	-	-	-
4	**Add** - Interest	2.95	-	-	-
5	**Less** - Payments	2.16	-	-	-
6	**Closing Lease Liability (At Amortised Cost)**	**36.11**	**-**	**-**	**-**
1	**Non-Current**	34.94	-	-	-
2	**Current**	1.17	-	-	-
	Total	**36.11**	**-**	**-**	**-**

4 Investments

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Investments in Mutual Funds**				
(a)	HSBC Mutual Fund	-	-	0.19	0.19
2	Other Investments	-	-	0.48	0.48
	Total	**-**	**-**	**0.67**	**0.67**
1	Aggregated Book Value of Quoted Investments	-	-	0.19	0.19
2	Aggregated Value of Other Investments	-	-	0.48	0.48

5 Other Financial Assets - Non-Current

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A	**Financial Assets at Amortised Cost**				
1	Bank Deposits with more than 12 months maturity	571.47	516.38	316.40	215.70
2	Security Deposits*	73.55	76.80	75.53	6.40
3	Earnest Money Deposit	78.28	83.59	80.71	76.16
	Total	**723.30**	**676.77**	**472.64**	**298.26**

** Security deposits primarily includes deposits given towards premises taken on lease from related party.*

6 Other Non-Current Assets

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Contract Assets**				
(a)	**Due on performance of Future Obligations**				
(i)	Retention Money - Considered Good	403.87	263.36	220.46	35.41
(ii)	Retention Money - Credit Impaired	15.32	6.66	5.75	-
	Sub-Total	**419.19**	**270.02**	**226.21**	**35.41**
(iii)	Less - Allowances for Expected Credit Loss	16.33	7.32	6.30	-
	Sub-Total	**402.86**	**262.70**	**219.91**	**35.41**
2	Others	6.27	5.51	0.43	0.86
	Total	**409.13**	**268.21**	**220.34**	**36.27**

6.1 Rentention Money Ageing Schedule

(a) As at 31.12.2023

S. No.	Particulars	Amount Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**							
(a)	Considered Good	386.29	-	17.58	-	-	-	403.87
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	8.90	-	6.42	15.32
2	**Disputed Receivables**							
(a)	Considered Good	-	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-	-
	Total	**386.29**	**-**	**17.58**	**8.90**	**-**	**6.42**	**419.19**

(b) As at 31.03.2023

S. No.	Particulars	Amount Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**							
(a)	Considered Good	236.74	17.72	8.90	-	-	-	263.36
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	6.66	6.66
2	**Disputed Receivables**							
(a)	Considered Good	-	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-	-
	Total	**236.74**	**17.72**	**8.90**	**-**	**-**	**6.66**	**270.02**

(c) As at 31.03.2022

S. No.	Particulars	Amount Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**							
(a)	Considered Good	219.54	-	-	-	-	-	219.54
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	0.91	5.75	6.66
2	**Disputed Receivables**							
(a)	Considered Good	-	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-	-
	Total	**219.54**	**-**	**-**	**-**	**0.91**	**5.75**	**226.21**

(d) As at 31.03.2021

S. No.	Particulars	Amount Not Due	Outstanding for following period from due date of payment					Total
			Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**							
(a)	Considered Good	28.55	3.93	-	0.97	1.30	0.65	35.41
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-		-
2	**Disputed Receivables**							
(a)	Considered Good	-	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-	-
	Total	**28.55**	**3.93**	**-**	**0.97**	**1.30**	**0.65**	**35.41**

7 Inventories

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Materials & Work In Progress	2,042.52	1,700.00	691.12	246.25
	Total	**2,042.52**	**1,700.00**	**691.12**	**246.25**

8 Trade Receivables

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Trade Receivables	470.83	767.67	750.59	895.74
2	Receivables from Related Parties	207.41	207.41	207.41	181.61
	Total	**678.24**	**975.08**	**958.00**	**1,077.35**

8.1 Trade Receivables Ageing Schedule

(a) As at 31.12.2023

S. No.	Particulars	Outstanding for following period from due date of payment					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**						
(a)	Considered Good	345.59	57.02	37.31	22.91	215.41	678.24
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
2	**Disputed Receivables**						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	Total	**345.59**	**57.02**	**37.31**	**22.91**	**215.41**	**678.24**

(b) As at 31.03.2023

S. No.	Particulars	Outstanding for following period from due date of payment					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**						
(a)	Considered Good	718.98	13.40	35.29	-	207.41	975.08
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
2	**Disputed Receivables**						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	Total	**718.98**	**13.40**	**35.29**	**-**	**207.41**	**975.08**

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(c) As at 31.03.2022

S. No.	Particulars	Outstanding for following period from due date of payment					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**						
(a)	Considered Good	687.72	51.54	-	-	218.73	958.00
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
2	**Disputed Receivables**						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	Total	**687.72**	**51.54**	**-**	**-**	**218.73**	**958.00**

(d) As at 31.03.2021

S. No.	Particulars	Outstanding for following period from due date of payment					Total
		Less than 6 Months	6 months to 1 Year	1 to 2 Years	2 to 3 Years	More than 3 Years	
1	**Undisputed Receivables**						
(a)	Considered Good	875.14	-	3.64	3.23	195.34	1,077.35
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
2	**Disputed Receivables**						
(a)	Considered Good	-	-	-	-	-	-
(b)	Which have significant increase in credit risk	-	-	-	-	-	-
(c)	Credit Impaired	-	-	-	-	-	-
	Total	**875.14**	**-**	**3.64**	**3.23**	**195.34**	**1,077.35**

9 Cash and Cash Equivalents

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Balances with Banks				
(a)	In Current Account	60.68	27.41	1.42	45.73
2	Cash In Hand	1.02	4.29	0.96	2.10
	Total	**61.70**	**31.70**	**2.38**	**47.83**

10 Current Tax Assets (Net)

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Advance Taxes, TDS & TCS	-	-	78.40	51.56
2	Less - Provision for Income Tax	-	-	60.09	44.69
	Total	**-**	**-**	**18.31**	**6.87**

11 Other Current Assets

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	GST Receivable	95.59	50.11	72.13	28.98
2	Advances Recoverable in cash or kind or value to be received*	288.37	263.72	277.22	182.75
3	Cheque Deposited but not yet Credited	-	18.76	-	-
	Total	**383.96**	**332.59**	**349.35**	**211.73**

** The advances recoverable in cash or kind for the period ended 31.12.2023 includes Related Party Balances amounting to ₹5.35 Millions (Previous Year ₹10.11 Millions)*

12 Share Capital

12.1 Details of Share Capital

S. No.	Particulars	As at 31.12.2023		As at 31.03.2023	
		No. of Shares	Amount	No. of Shares	Amount
1	<u>**Authorised Share Capital**</u>				
(a)	Equity Shares of ₹10/- each	5,50,00,000	550.00	3,60,00,000	360.00
		5,50,00,000	**550.00**	**3,60,00,000**	**360.00**
2	<u>**Issued, Subscribed and Paid Up**</u>				
(a)	Equity Shares of ₹10/- each	3,58,80,860	358.81	3,58,80,860	358.81
		3,58,80,860	**358.81**	**3,58,80,860**	**358.81**

S. No.	Particulars	As at 31.03.2022		As at 31.03.2021	
		No. of Shares	Amount	No. of Shares	Amount
1	<u>**Authorised Share Capital**</u>				
(a)	Equity Shares of ₹10/- each	3,60,00,000	360.00	3,60,00,000	360.00
		3,60,00,000	**360.00**	**3,60,00,000**	**360.00**
2	<u>**Issued, Subscribed and Paid Up**</u>				
(a)	Equity Shares of ₹10/- each	3,58,80,860	358.81	3,58,80,860	358.81
		3,58,80,860	**358.81**	**3,58,80,860**	**358.81**

12.2 Reconciliation of authorised, issued, subscribed and paid up share capital:

(a) Reconciliation of Authorised Share Capital

S. No.	Particulars	Equity Shares	
		No. of shares	Amount
1	**At April 1, 2020**	3,60,00,000	360.00
(a)	Increase / (Decrease) during the year	-	-
2	**At March 31, 2021**	**3,60,00,000**	**360.00**
(b)	Increase / (Decrease) during the year	-	-
3	**At March 31, 2022**	**3,60,00,000**	**360.00**
(a)	Increase / (Decrease) during the year	-	-
4	**At March 31, 2023**	**3,60,00,000**	**360.00**
(a)	Increase / (Decrease) during the period	1,90,00,000	190.00
5	**At December 31, 2023**	**5,50,00,000**	**550.00**

(b) Reconciliation of Issued, Subscribed and Paid up share capital

S. No.	Particulars	Equity Shares	
		No. of shares	Amount
	Equity Shares of ₹10 each Issued, Subscribed and Fully Paid		
1	**At April 1, 2020**	3,58,80,860	358.81
(a)	<u>**Add**</u> - Issued during the year	-	-
(b)	<u>**Less**</u> - Shares cancelled or buyback during the year	-	-
2	**At March 31, 2021**	**3,58,80,860**	**358.81**
(a)	<u>**Add**</u> - Issued during the year	-	-
(b)	<u>**Less**</u> - Shares cancelled or buyback during the year	-	-
3	**At March 31, 2022**	**3,58,80,860**	**358.81**
(a)	<u>**Add**</u> - Issued during the year	-	-
(b)	<u>**Less**</u> - Shares cancelled or buyback during the year	-	-
4	**At March 31, 2023**	**3,58,80,860**	**358.81**
(a)	<u>**Add**</u> - Issued during the period	-	-
(b)	<u>**Less**</u> - Shares cancelled or buyback during the period	-	-
5	**At December 31, 2023**	**3,58,80,860**	**358.81**

12.3 Terms / Rights attached to Equity Shares

(a) The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.

(b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

12.4 Details of Shareholders holding more than 5% Shares in the Company

S. No.	Name of the Shareholder	As at 31.12.2023		As at 31.03.2023	
		No. of Shares	%	No. of Shares	%
1	Deepak Kumar Singal	3,23,05,970	90.04%	3,19,05,970	88.92%
2	Sinita Singal	35,64,890	9.94%	39,64,890	11.05%

S. No.	Name of the Shareholder	As at 31.03.2022		As at 31.03.2021	
		No. of Shares	%	No. of Shares	%
1	Deepak Kumar Singal	3,19,05,970	88.92%	3,19,12,170	88.94%
2	Sinita Singal	39,64,890	11.05%	39,68,690	11.06%

12.5 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.

12.6 Details of shares held by promoters

(a) As at 31.12.2023

S. No.	Name of the Promoter	No. of shares as at 01.04.2023	% of Total Shares	No. of shares as at 31.12.2023	% of Total Shares	% change during the period
1	Deepak Kumar Singal	3,19,05,970	88.92%	3,23,05,970	90.04%	1.12%
2	Sunita Singal	39,64,890	11.05%	35,64,890	9.94%	-1.11%

(b) As at 31.03.2023

S. No.	Name of the Promoter	No. of shares as at 01.04.2022	% of Total Shares	No. of shares as at 31.03.2023	% of Total Shares	% change during the year
1	Deepak Kumar Singal	3,19,05,970	88.92%	3,19,05,970	88.92%	-
2	Sunita Singal	39,64,890	11.05%	39,64,890	11.05%	-

(c) As at 31.03.2022

S. No.	Name of the Promoter	No. of shares as at 01.04.2021	% of Total Shares	No. of shares as at 31.03.2022	% of Total Shares	% change during the year
1	Deepak Kumar Singal	3,19,12,170	88.94%	3,19,05,970	88.92%	-0.02%
2	Sunita Singal	39,68,690	11.06%	39,64,890	11.05%	-0.01%

(d) As at 31.03.2021

S. No.	Name of the Promoter	No. of shares as at 01.04.2020	% of Total Shares	No. of shares as at 31.03.2021	% of Total Shares	% change during the year
1	Deepak Kumar Singal	3,19,12,170	88.94%	3,19,12,170	88.94%	-
2	Sunita Singal	39,68,690	11.06%	39,68,690	11.06%	-

12.7 There are no shares issued under the Employee Stock Option Plan or by way of bonus shares or pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding the balance sheet date.

12.8 There are no shares which are bought back by the company during the period of five years immediately preceding the balance sheet date.

12.9 Number of shares are in absolute figures.

13 Other Equity

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Reserves and Surplus**				
(a)	Retained Earnings	836.13	569.02	355.75	181.73
(b)	Revaluation Surplus	69.60	77.60	132.63	142.58
	Total	**905.73**	**646.62**	**488.38**	**324.31**

13.1 Nature and Purpose of Reserves

(a) Retained Earnings
Retained earnings are the profits that the Company has earned till date, less any transfer to dividends or other distrbutions paid to the shareholders.

(b) Revaluation Surplus
The reserve is created on account of upward revaluation of Property, Plant & Equipment of the company forming the part of the Other Comprehensive Income of the Company.

14 Borrowings - Non-Current

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Term Loans**				
(a)	**Secured Loans**				
(i)	From Banks	625.43	568.41	477.83	318.37
(ii)	From Others	170.68	51.13	53.71	61.46
(b)	**Unsecured Loans**				
(i)	From Banks	20.54	16.92	-	-
(ii)	From Others	64.11	7.81	-	-
	Sub-Total	**880.76**	**644.27**	**531.54**	**379.83**
(c)	**Less** - Current Maturities of Long Term Debt	135.35	312.49	216.57	122.48
	Sub-Total	**745.41**	**331.78**	**314.97**	**257.35**
	Total	**745.41**	**331.78**	**314.97**	**257.35**

14.1 Loan from Banks

(a) HDFC Bank Limited have sanctioned various Machinery Equipment Loans, Motor Vehicle Loans, Commercial Vehicle Loans, GECL, Loan against Properties and Term Loans against Mobilisation Advances to the company. The loans have charge over assets mentioned in the sanction letter of the bank. The repayment schedule ranges between 24 to 120 months. Additionally, the bank has sanctioned Unsecured Business Loan to the company and is repayable in 36 months. The loans carries interest rate as mentioned in the respective sanction letter of the bank subject to revision from time to time.

(b) Punjab National Bank has sanctioned Covid Limit of ₹59.00 Millions to the company and has charge over current assets to secure the finance. The Covid Limit is repayable in 48 months. The loans carries interest rate as mentioned in the respective sanction letter of the bank subject to revision from time to

(c) Axis Bank Limited have sanctioned various Commercial Vehicle Loans to the company and has exclusive charge over Fixed Assets financed by the bank. The repayment schedule ranges between 59 to 60 equated monthly installments. Additionally, the bank has also sanctioned Unsecured Business Loan to the company having repayment period of 36 months. The loans carries interest rate as mentioned in the respective sanction letter of the bank subject to revision from time to time.

(d) ICICI Bank, Kotak Mahindra Bank and IDFC First Bank Limited have sanctioned unsecured Business Loans to the company having repayment period of 36 months. The loans carries interest rate as mentioned in the respective sanction letter of the bank subject to revision from time to time.

(e) The limits of above mentioned banks are further secured against the collateral securities mortgaged with the respective banks as mentioned in their respective sanction letters.

14.2 Loan from Financial Institutions

(a) Aditya Birla Finance Limited has sanctioned Loan against Property and unsecured Business Loan to the company. The Loan against Property is secured against the personal immovable property of the Directors. The loan against property is repayable in 144 months and unsecured business loan is repayable in 24 months. The loans carries interest rate as mentioned in the respective sanction letter subject to revision from time to time.

(b) Kisetsu Saison Finance India Private Limited, Protium Finance Limited, Fedbank Financial Services Limited, Tata Capital Financial Services Limited, SFMG India Credit Co. Limited, Shri Ram Finance Limited and SMC Finance has sanctioned unsecured Business Loan to the company. The repayment schedule ranges between 24 to 36 months. The loans carries interest rate as mentioned in the respective sanction letter subject to revision from time to time.

14.3 All the loans are secured against the personal guarantee of the promoter directors.

15 Other Financial Liabilities - Non-Current

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Sub-Contractor Retention Money	15.08	15.47	9.89	9.30
	Total	**15.08**	**15.47**	**9.89**	**9.30**

16 Provisions

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Non-Current**				
(a)	Provision for Gratuity (Refer Note 35)	10.51	6.55	4.78	-
	Sub-Total	**10.51**	**6.55**	**4.78**	**-**
2	**Current**				
(a)	Provision for Gratuity (Refer Note 35)	3.29	2.23	0.48	-
	Sub-Total	**3.29**	**2.23**	**0.48**	**-**
	Total	**13.80**	**8.78**	**5.26**	**-**
1	**Non-Current**	**10.51**	**6.55**	**4.78**	-
2	**Current**	**3.29**	**2.23**	**0.48**	-
	Total	**13.80**	**8.78**	**5.26**	**-**

17 Other Non-Current Liabilities

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Contract Liability**				
(a)	Mobilisation Advance from Customer	778.15	1,031.34	395.91	328.61
	Total	**778.15**	**1,031.34**	**395.91**	**328.61**

18 Deferred Tax Liabilities / (Assets) (Net)

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Deferred Tax Liability**				
(a)	Opening Balance	25.74	46.01	48.19	3.61
(i)	**On Account of Depreciation on Property, Plant & Equipment**				
A	Recognised in Statement of Profit & Loss	2.55	(1.76)	1.17	6.36
B	Recognised in Other Comprehensive Income	(2.69)	(18.51)	(3.35)	38.22
	Closing Balance	**25.60**	**25.74**	**46.01**	**48.19**
2	**Deferred Tax Asset**				
(a)	Opening Balance	2.20	1.32	-	-
(i)	**On Account of Provision for Gratuity**				-
A	Recognised in Statement of Profit & Loss	1.68	0.66	0.44	-
B	Recognised in Other Comprehensive Income	(0.41)	0.22	0.88	-
	Sub-Total	**1.27**	**0.88**	**1.32**	**-**
(ii)	**On Account of Leases**				
A	Recognised in Statement of Profit & Loss	1.21	-	-	-
	Sub-Total	**1.21**	**-**	**-**	**-**
(iii)	**On Account of ECL**				
A	Recognised in Statement of Profit & Loss	4.11	-	-	-
	Sub-Total	**4.11**	**-**	**-**	**-**
	Closing Balance	**8.79**	**2.20**	**1.32**	**-**
	Deferred Tax Liabilities / (Assets) (Net)	**16.81**	**23.54**	**44.69**	**48.19**

19 Borrowings - Current

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	**Secured Loans**				
(a)	Working Capital Facilities				
(i)	From Banks	617.12	321.45	261.41	285.47
(b)	Current Maturities of Long Term Debt	135.35	312.49	216.57	122.48
2	**Unsecured Loans**				
(a)	From Directors	-	-	3.53	3.03
	Total	**752.47**	**633.94**	**481.51**	**410.98**

19.1 Working Capital Limits are availed from Punjab National Bank & HDFC Bank by way of Cash Credit Limit. The said limits are secured against inventories, book debts and other current assets of the company. The limits are further secured against the collateral securities mortgaged with the respective banks and personal guarantee of the directors. The working capital limit is repayable on demand and carries interest rate as mentioned in the respective sanction letter of the bank subject to revision from time to time.

20 Trade Payables

20.1 Details of Trade Payables

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Due to MSME	437.17	752.57	37.52	28.33
2	Due to Other than MSME	624.80	419.80	786.02	613.06
	Total	**1,061.97**	**1,172.37**	**823.54**	**641.39**
20.2	Inland Letter of Credit Issued amongst above Trade Payables	203.55	191.28	214.50	106.20

20.3 Trade Payables Ageing Schedule

(a) As at 31.12.2023

S. No.	Particulars	Outstanding for following period from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	**Undisputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	419.17	15.72	2.28	-	437.17
(b)	Others	556.15	39.18	20.42	9.05	624.80
2	**Disputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	-	-	-	-	-
(b)	Others	-	-	-	-	-
	Total	**975.32**	**54.90**	**22.70**	**9.05**	**1,061.97**

(b) As at 31.03.2023

S. No.	Particulars	Outstanding for following period from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	**Undisputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	752.57	-	-	-	752.57
(b)	Others	419.80	-	-	-	419.80
2	**Disputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	-	-	-	-	-
(b)	Others	-	-	-	-	-
	Total	**1,172.37**	**-**	**-**	**-**	**1,172.37**

(c) As at 31.03.2022

S. No.	Particulars	Outstanding for following period from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	**Undisputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	37.52	-	-	-	37.52
(b)	Others	772.47	3.27	8.57	1.71	786.02
2	**Disputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	-	-	-	-	-
(b)	Others	-	-	-	-	-
	Total	**810.00**	**3.27**	**8.57**	**1.71**	**823.54**

(d) As at 31.03.2021

S. No.	Particulars	Outstanding for following period from due date of payment				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
1	**Undisputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	28.33	-	-	-	28.33
(b)	Others	596.22	13.71	0.91	2.22	613.05
2	**Disputed Trade Payables**					
(a)	Micro, Small and Medium Enterprises	-	-	-	-	-
(b)	Others	-	-	-	-	-
	Total	**624.55**	**13.71**	**0.91**	**2.22**	**641.39**

21 Other Financial Liabilities - Current

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Due to Labour & Employees	87.37	79.16	41.05	35.58
2	Other Payables	8.28	1.84	2.44	0.46
	Total	**95.65**	**81.00**	**43.49**	**36.04**

22 Other Current Liabilities

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Advance from Customers	138.37	156.73	238.29	-
2	Due to Statutory Authorities	12.40	9.39	14.20	5.06
3	Other Payables	-	19.60	2.90	11.65
	Total	**150.77**	**185.72**	**255.39**	**16.71**

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

23 Current Tax Liabilities (Net)

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Provision for Income Tax	96.16	75.73	-	-
2	**Less** - Advance Taxes, TDS & TCS*	86.22	72.12	-	-
	Total	**9.94**	**3.61**	**-**	**-**

**The Advance Taxes, TDS & TCS for the period ended 31.12.2023 includes Income Tax Refund Receivable related to Previous Years of ₹29.65 Millions.*

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24 Revenue from Operations (Gross)

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Revenue from Construction Contracts	3,631.81	4,089.57	3,415.35	3,286.27
2	Revenue from Material Sale	173.01	983.83	744.66	224.21
	Total	**3,804.82**	**5,073.40**	**4,160.01**	**3,510.48**

24.1 Analysis of Revenues

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Execution of Works Contract and Supply of Construction Material	3,804.82	5,073.40	4,160.01	3,510.48

24.2 Income based on Timing of Recognition

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Income Recognition over period of time	3,804.82	5,073.40	4,160.01	3,510.48

24.3 Reconciling the amount of Revenue Recognised with the Contracted Price

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
(a)	Revenue as per Contracted Price	3,804.82	5,073.40	4,160.01	3,510.48
(b)	Adjustments				
(c)	**Add** - Unbilled on account of Work under Certification	-	-	-	-
(d)	**Less** - Billing in excess of Contract Revenue	-	-	-	-
	Revenue from Contract with Customers	**3,804.82**	**5,073.40**	**4,160.01**	**9,233.41**

24.4 Performance Obligation

The transaction price (inclusive of GST) allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at December 31, 2023 is ₹12,808.10 Millions *(Previous Year ending 31.03.2023 - ₹16,578.79 Millions)* , out of which majority is expected to be recognised as revenue within 2 Years.

25 Other Income

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
A	**Interest Income on financial assets carried at Cost / Amortised Cost**				
1	Interest on Bank Deposits	24.86	18.52	13.66	12.77
2	Interest on Security Deposit carried at amortised cost	2.26	-	-	-
B	**Other Non Operating Income**				
1	Insurance Claim Received	-	1.53	-	-
2	Profit on Sale of Property, Plant & Equipment	1.11	-	-	-
3	Rebate & Discount	1.13	-	5.69	0.06
4	Miscellaneous Income	0.56	-	-	-
	Total	**29.92**	**20.05**	**19.35**	**12.83**

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Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

26 Cost of Materials Consumed

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**Construction Material**				
(a)	Opening Inventories	1,700.00	691.12	246.25	688.36
(b)	**Add** - Purchases made during the year / period	2,075.03	3,899.64	2,938.04	1,780.33
	Sub-Total	**3,775.03**	**4,590.76**	**3,184.29**	**2,468.69**
(c)	**Less** - Closing Inventories	2,042.52	1,700.00	691.12	246.25
	Cost of Materials Consumed	**1,732.51**	**2,890.76**	**2,493.17**	**2,222.44**

27 Construction Expenses

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Amenities Expenses deducted by Department	1.66	7.68	7.91	3.15
2	Building Cess	-	4.06	-	-
3	Cancer Cess	-	-	-	0.25
4	Compensation Paid	1.80	0.55	-	-
5	Consultancy Expenses	15.07	10.43	9.82	9.16
6	Consumables	-	-	0.09	-
7	Culture Cess	0.76	6.50	9.02	3.05
8	Diesel Expenses	50.05	53.40	52.57	41.23
9	Electricity Expenses	18.70	19.24	21.11	20.55
10	Freight & Cartage	7.00	8.06	19.30	13.31
11	Installation Charges	9.45	21.62	-	-
12	Laboratory Expenses	0.32	0.42	-	-
13	Labour Cess	30.75	32.22	37.43	28.04
14	Labour Job Work	405.55	468.12	308.31	171.48
15	Machinery Rent	31.36	19.14	14.85	6.08
16	Machinery Repair & Maintenance	10.40	9.81	6.33	4.63
17	Quality Cess Deducted by Department	0.25	0.86	5.75	-
18	Quality Control Expenses	-	3.36	-	-
19	Testing Expenses	2.64	4.88	2.31	2.28
20	Water Expenses	2.87	1.02	-	-
	Total	**588.63**	**671.37**	**494.80**	**303.21**

28 Employee Benefits Expense

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Salaries and Wages	184.11	180.49	151.55	200.82
2	Director Remuneration	11.25	15.00	8.55	4.40
3	Contributions to Employee Benefit Funds	7.16	4.69	1.39	2.04
4	Provision for Gratuity (Refer Note 35)*	6.64	2.62	1.75	-
5	Staff Welfare Expense	3.22	1.53	1.41	0.74
	Total	**212.38**	**204.33**	**164.65**	**208.00**

**Includes Prior Period Expense amounting to ₹3.25 Million.*

29 Finance Costs

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Interest Cost	163.21	137.71	127.75	100.17
2	Bank Charges	57.07	48.26	37.51	38.64
3	Interest on Lease Liability	2.95	-	-	-
	Total	**223.23**	**185.97**	**165.26**	**138.81**

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

30 Depreciation and Amortization Expense

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Depreciation on Tangible Assets (Refer Note 3)	50.24	55.70	35.99	32.80
2	Depreciation on Right to Use Assets	6.28	-	-	-
	Total	**56.52**	**55.70**	**35.99**	**32.80**

31 Other Expenses

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Additional GST Paid	16.96	-	-	-
2	Allowances for Expected Credit Loss	9.02	1.02	6.30	-
3	Audit Fees (Refer Note 31.1)	0.75	0.30	0.25	0.25
4	Conveyance Expenses	0.67	0.23	0.46	0.53
5	CSR Expenses (Refer Note 31.2)	0.25	4.05	3.33	2.12
6	Fee & Taxes	5.47	2.90	4.28	2.29
7	Festival Expenses	1.32	0.74	1.91	0.34
8	GST Not Available	-	-	4.70	-
9	Insurance	16.67	15.78	12.44	8.96
10	Late Fees Paid	-	-	0.27	0.50
11	Legal & Professional Charges	3.93	4.87	3.80	2.94
12	Loss on Sale of Property, Plant & Equipment	-	2.19	-	0.66
13	Penalities	1.57	-	-	-
14	Preliminary Expenses	-	0.91	0.43	0.43
15	Printing & Stationary	0.62	0.80	0.24	0.13
16	Rebate & Discount	-	4.45	-	-
17	Rent	15.53	7.04	9.89	6.70
18	Repairs & Maintenance - Others	2.04	3.81	5.19	5.18
19	Security Expenses	3.23	2.13	0.93	0.10
20	Tour & Travelling Expenses	3.76	5.05	2.80	2.03
21	Miscellaneous Expenses*	1.22	2.94	1.32	1.63
	Total	**83.01**	**59.21**	**58.54**	**34.79**

** Miscellaneous Expenses does not include any expenses over and above ₹0.50 Million*

31.1 Payment made to Auditors is as follows

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**As Auditor**				
(a)	Audit Fee	0.75	0.30	0.25	0.25
	Total	**0.75**	**0.30**	**0.25**	**0.25**

31.2 Details of CSR Expenditure

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**Gross Amount required to be spent by the Company during the year***	-	4.04	3.32	2.12
2	**Amount approved by the Board to be spent during the year**	-	4.04	3.32	2.12
3	**Amount spent during the year**				
(a)	Construction / Acquisition of any asset	-	-	-	-
(b)	On purposes other than (i) above	0.25	4.05	3.33	2.12
4	**Details related to spent / unspent obligations**				
(a)	Contribution to Public Trust	-	-	-	-
(b)	Contribution to Charitable Trust & Purpose	0.25	4.05	3.33	2.12
(c)	Unspent Amount in relation to				
(i)	Ongoing project	-	-	-	-
(ii)	Other than Ongoing Project	-	-	-	-

** The Company has not ascertained the Gross Amount required to be spent by the Company for the period ended December 31, 2023, as the same will be calculated on yearly basis.*

32 Components of Other Comprehensive Income (OCI)

32.1 **The disaggregation of changes to OCI by each type of Reserve in Equity is shown below -**

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Re-measurement Gain / (Losses) on Defined Benefit Plans	1.62	(0.90)	(3.51)	-
2	Re-measurement Gain / (Losses) on Property, Plant & Equipment	(10.69)	(73.54)	(13.30)	180.80
3	Income Tax Effect	2.28	18.73	4.23	(38.22)
	Total	**(6.79)**	**(55.71)**	**(12.58)**	**142.58**

33 Earnings Per Share (EPS)

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

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**Profit attributable to the Equity Share Holders**				
(a)	Continuing Operations	265.90	213.95	176.64	129.28
(b)	Weighted Average number of Equity Shares for Basic and Diluted EPS (in Millions)	35.88	35.88	35.88	35.88
(c)	**Basic and Diluted Earnings per Share (Face Value ₹10 per share) for Continuing Operations**	**7.41**	**5.96**	**4.92**	**3.60**

33.2 There have been no transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

34 Income Tax
34.1 Components Of Income Tax Expense

(a) **Tax Expense recognized in Statement of Profit and Loss:**

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**Current Tax**				
(a)	Current Year Income Tax Expense	96.16	75.73	60.09	44.69
(b)	Adjustments relating to Previous Years	0.68	-	-	-
	Sub-Total	**96.84**	**75.73**	**60.09**	**44.69**
2	**Deferred Tax**				
(a)	Relating to origination and reversal of Temporary Differences	(4.45)	(2.42)	0.73	6.36
(b)	Adjustments relating to Previous Years	-	-	-	-
	Sub-Total	**(4.45)**	**(2.42)**	**0.73**	**6.36**
	Income Tax Expense reported in the Statement of Profit and Loss	**92.39**	**73.31**	**60.82**	**51.05**

(b) **Tax on Other Comprehensive Income**

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
2	**Deferred Tax**				
(a)	Re-measurement gain/ (losses) on defined benefit plans & PPE	2.28	18.73	4.23	(38.22)
	Total (b)	**2.28**	**18.73**	**4.23**	**(38.22)**

(c) **Reconciliation of Tax Expense to the Accounting Profit is as follows -**

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	**Accounting Profit before Income Tax**	358.29	287.26	237.46	180.33
(a)	Enacted Tax Rate (%)	25.168%	25.168%	25.168%	25.168%
(b)	Tax on Accounting Profit at above rate	90.17	72.30	59.76	45.39
(c)	Tax Effect of amounts which are not deductible (taxable) in calculating Taxable Income	2.22	1.01	1.06	5.66
(d)	**Income Tax Expense reported in the Statement of Profit and Loss**	92.39	73.31	60.82	51.05

35 Gratuity and other Post-Employment Benefit Plans

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

(a) **During the year / period, the Company has recognized the following amounts in the statement of profit and loss :**

Defined contribution plans

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Employer's contribution to Employee Benefit Funds	7.16	4.69	1.39	2.04

(b) **Defined Benefit Obligation**

The following tables summarise the components of net benefit expense recognised in the Statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans -

S. No.	Particulars	As at 31.12.2023 Gratuity	As at 31.03.2023 Gratuity	As at 31.03.2022 Gratuity	As at 31.03.2021 Gratuity
1	**Cost for the year included under Employee Benefit**				
(a)	Current Service Cost	2.89	2.24	1.75	-
(b)	Interest cost on Benefit Obligation	0.49	0.38	-	-
(c)	Prior Period Item	3.26	-	-	-
2	**Net Benefit Expense**	**6.64**	**2.62**	**1.75**	**-**

(c) **Amounts Recognised in Statement of Other Comprehensive Income (OCI)**

S. No.	Particulars	As at 31.12.2023 Gratuity	As at 31.03.2023 Gratuity	As at 31.03.2022 Gratuity	As at 31.03.2021 Gratuity
1	**Amounts recognised in statement of Other Comprehensive Income (OCI)**				
(a)	Opening amount recognised in OCI outside the Statement of Profit and Loss	-	-	-	-
(b)	Remeasurement for the year - Obligation Gain / (Loss)	1.62	(0.90)	(3.51)	-
(c)	Remeasurement for the year - Plan Assets Gain / (Loss)	-	-	-	-
(d)	Total remeasurement Cost / (Credit) for the year recognised in OCI	1.62	(0.90)	(3.51)	-
(e)	Closing amount recognised in OCI outside the Statement of Profit and Loss	1.62	(0.90)	(3.51)	-

(d) **Mortality Table**

S. No.	Particulars	As at 31.12.2023 Gratuity	As at 31.03.2023 Gratuity	As at 31.03.2022 Gratuity	As at 31.03.2021 Gratuity
1	**Economic Assumptions**				
(a)	Discount Rate	7.40%	7.39%	7.25%	-
(b)	Rate of Increase in Compensation Levels	8.00%	8.00%	5.00%	-
2	**Demographic Assumptions**				
(a)	Expected Average remaining Working Lives of Employees (Years)	29.95	28.35	28.55	-
(b)	Retirement Age (years)	65	65	65	-
(c)	Mortality Rate	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate	IAL 2012-14 Ultimate	-

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

(e) **Net (Assets) / Liabilities recognized in the Balance Sheet and experience adjustments on Actuarial Gain / (Loss) for Benefit Obligation and Plan Assets**

S. No.	Particulars	As at 31.12.2023 Gratuity	As at 31.03.2023 Gratuity	As at 31.03.2022 Gratuity	As at 31.03.2021 Gratuity
1	Benefit Obligation as at the beginning of the year	8.78	5.26	-	-
2	Current Service Cost	2.89	2.24	1.75	-
3	Interest Cost	0.49	0.38	-	-
4	Prior Period Liability	3.26	-	-	-
5	Benefit Paid	-	-	-	-
6	Actuarial Loss / (Gain)	(1.62)	0.90	3.51	-
7	**Closing Defined Benefit Obligation**	**13.80**	**8.78**	**5.26**	**-**

(f) **There are no Plan Assets in the company.**

(g) **Benefit (Asset) / Liability -**

S. No.	Particulars	As at 31.12.2023 Gratuity	As at 31.03.2023 Gratuity	As at 31.03.2022 Gratuity	As at 31.03.2021 Gratuity
1	Present value of Defined Benefit Obligation	(13.80)	(8.78)	(5.26)	-
2	Fair value of Plan Assets	-	-	-	-
3	**Net Asset / (Liability)**	**(13.80)**	**(8.78)**	**(5.26)**	**-**

(h) **Major category of Plan Assets (As a % of Total Plan Assets) -**

There are no Plan Assets in the company.

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

(i) **A quantitative sensitivity analysis for significant assumption as at December 31, 2023, March 31, 2023 and March 31, 2022 is as shown below:**

S. No.	Particulars	As at 31.12.2023 Gratuity	As at 31.03.2023 Gratuity	As at 31.03.2022 Gratuity	As at 31.03.2021 Gratuity
1	**Discount Rate**				
(a)	Effect on DBO due to 1% increase in Discount Rate	(0.51)	(0.30)	(0.35)	-
(b)	Effect on DBO due to 1% decrease in Discount Rate	0.56	0.33	0.40	-
2	**Salary Escalation Rate**				
(a)	Effect on DBO due to 1% increase in Salary Escalation Rate	0.55	0.32	0.40	-
(b)	Effect on DBO due to 1% decrease in Salary Escalation Rate	(0.51)	(0.30)	(0.36)	-
3	**Attrition Rate**				
(a)	Effect on DBO due to 1% increase in Attrition rate	(0.14)	(0.06)	0.03	-
(b)	Effect on DBO due to 1% decrease in Attrition rate	0.14	0.07	(0.04)	-

36 Commitments and Contingent Liabilities

36.1 Details of Bank Guarantees

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Bank Guarantees Issued	2,654.36	2,749.09	1,375.80	1,265.70

36.2 Income Tax Demands

(a) The Income Tax Department has raised demand u/s 153(C) r.w.s. 143(3) of the I.T. Act, 1961 for an amount of ₹8.60 Millions relevant to A.Y. 2020-21 and the Company has filed the appeal with the Honourable CIT (Appeal) and the case is yet to be adjudicated.

37 Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year				
(a)	Principal amount due to micro and small enterprises	437.17	752.57	37.52	28.33
(b)	Interest due on above	-	-	-	-
		437.17	**752.57**	**37.52**	**28.33**
2	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-	
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-	-	-

38 Related Party Disclosures - As per Ind AS 24

38.1 List of Related Parties where control exist and related parties with whom transactions have taken place and relationships

S. No.	Name of Related Party	Nature of Relationship
1	Deepak Kumar Singal	Chairman cum Managing Director
2	Sunita Singal	Wholetime Director
3	Akash Singal	Wholetime Director (resigned w.e.f. 12.10.2023)
4	Inderderv Singh	Independent Director
5	Kashish Mittal	Independent Director
6	Vinod Kumar Kathuria	Independent Director (w.e.f. 19.01.2024)
7	Henna Singal	Relatives of KMP
8	Rishabh Gupta	Chief Financial Officer (w.e.f. 01.06.2023)
9	Anil Kumar	Company Secretary
10	Deepak Singal Engineers & Builders Private Limited	Enterprise over which KMP or their Relatives are able to exercise significant influence
11	Deepak Buildcon Infrastructure, Ludhiana	
12	Deepak Buildcon, Mohali	
13	Henna Enterprises Private Limited	
14	E9 News	
15	AKS Luxuries Infra	
16	H & S Infra	

38.2 Related Party Transactions -

S. No.	Particulars	For the Period / Years Ended			
		31.12.2023	31.03.2023	31.03.2022	31.03.2021
1	**Key Managerial Personnel**				
(a)	**Remuneration**				
(i)	Deepak Kumar Singal	6.75	9.00	6.15	3.30
(ii)	Sunita Singal	4.50	6.00	2.40	1.10
(iii)	Rishabh Gupta	0.83	-	-	-
(iv)	Anil Kumar	0.59	0.43	-	-
(b)	**Rent Payments**				
(i)	Deepak Kumar Singal	0.90	1.20	1.20	-
(ii)	Sunita Singal	-	0.60	0.60	-
(c)	**Security Deposit Given**				
(i)	Deepak Kumar Singal	70.00	-	50.00	-
(ii)	Sunita Singal	-	-	9.00	-
(d)	**Unsecured Loan Accepted**				
(i)	Deepak Kumar Singal	23.50	-	25.88	42.73
(e)	**Unsecured Loan Repaid**				
(i)	Deepak Kumar Singal	23.50	3.53	25.39	39.70
(f)	**Sitting Fees**				
(i)	Inderdev Singh	0.09	0.25	-	-
(ii)	Kashish Mittal	0.09	0.25	-	-
2	**Relatives of Key Managerial Personnel**				
(a)	**Remuneration**				
(i)	Akash Singal	1.20	2.40	2.40	2.20
(ii)	Henna Singal	-	2.40	2.40	2.20
(b)	**Rent Payments**				
(i)	Akash Singal	-	0.60	0.60	-
(c)	**Security Deposit Given**				
(i)	Akash Singal	-	-	9.00	-
3	**Associate Concerns**				
(a)	**Sales**				
(i)	Deepak Singal Engineers & Builders Private Limited	10.54	42.52	70.84	63.24
(b)	**Purchases**				
(i)	Deepak Singal Engineers & Builders Private Limited	4.06	25.99	1.11	19.84
(c)	**Advances Given (Net)**				
(i)	Deepak Singal Engineers & Builders Private Limited	5.35	-	-	-
4	**Closing Balances**				
(a)	**Key Managerial Personnel**				
(i)	Deepak Kumar Singal (Dr.)	120.00	50.00	50.00	-
(ii)	Deepak Kumar Singal (Cr.)	1.94	0.91	3.87	4.95
(iii)	Sunita Singal (Dr.)	9.00	9.00	9.00	-
(iv)	Sunita Singal (Cr.)	0.41	0.09	1.49	0.25
(b)	**Relative of KMP**				
(i)	Akash Singal (Dr.)	8.46	9.00	9.00	-
(c)	**Associate Concerns**				
(i)	Deepak Singal Engineers & Builders Private Limited (Dr.)	5.35	10.11	42.38	-
(ii)	Deepak Buildcon Infrastructure (Dr.)	109.64	109.64	109.64	84.54
(iii)	Deepak Buildcon, Mohali (Dr.)	97.77	97.77	97.77	97.07

39 Segment Information

Ind AS-108 establishes standards for the way that the Company report information about operating segments and related disclosures about products and services, geographical areas, and major customers. The Company has only one business segment primarily Construction Services and related services in relation to the construction activities. Based on the "'Management Approach" as defined in Ind AS-108. The management also reviews and measure the operating results taking the whole business as one segment and accordingly make decision about the resources allocation. In view of the same, segment reporting information is not required to be given as per the requirements of Ind AS-108 on "Operating Segments". The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in the significant accounting policies.

40 Capital Management

40.1 For the purpose of the Company's capital management, capital includes issued equity capital, all equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholders' value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Borrowings (Non-Current and Current)	1,497.88	965.72	796.48	668.33
2	**Less** - Cash and Cash Equivalents	(61.70)	(31.70)	(2.38)	(47.83)
3	Net Debt	1,436.18	934.02	794.10	620.50
4	Equity	1,264.54	1,005.43	847.19	683.12
5	Gearing Ratio	**114%**	**93%**	**94%**	**91%**

In order to achieve this overall objective, the Group'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 period / years ended December 31, 2023, March 31, 2023 & March 31, 2022 & March 31, 2021.

40.2 **Changes in Liabilities arising from Financing Activities**

(a) The major changes in the Company's liabilities arising from financing activities are due to financing cash flows and accrual of financial liabilities. The Company did not acquire any liabilities arising from financing activities during business combinations effected in the current period or comparative period.

(b) The Company disclosed information about its interest-bearing loans and borrowings. There are no obligations under finance lease and hire purchase contracts.

Reconciliation of movement of liabilities to cash flows arising from financing activities

Borrowings

S. No.	Particulars	As at 01.04.2023	Expense	Cash Flows	Non - Cash Transactions		As at 31.12.2023
					Processing Cost	Others	
1	Non Current Borrowings (including current maturity)	644.27	-	236.49	-	-	880.76
2	Current Borrowings	321.45	-	295.67	-	-	617.12
3	Interest Expense	-	220.28	(216.38)	-	-	3.90
	Total Liabilities from Financing Activities	**965.72**	**220.28**	**315.78**	**-**	**-**	**1,501.78**

S. No.	Particulars	As at 01.04.2022	Expense	Cash Flows	Non - Cash Transactions		As at 31.03.2023
					Processing Cost	Others	
1	Non Current Borrowings (including current maturity)	531.54	-	112.73	-	-	644.27
2	Short Term Borrwings	264.94	-	56.51	-	-	321.45
3	Interest Expense	-	185.97	(185.97)	-	-	-
	Total Liabilities from Financing Activities	**796.48**	**185.97**	**(16.73)**	**-**	**-**	**965.72**

S. No.	Particulars	As at 01.04.2021	Expense	Cash Flows	Non - Cash Transactions		As at 31.03.2022
					Processing Cost	Others	
1	Non Current Borrowings (including current maturity)	379.83	-	151.71	-	-	531.54
2	Short Term Borrwings	288.50	-	(23.56)	-	-	264.94
3	Interest Expense	-	165.26	(165.26)	-	-	-
	Total Liabilities from Financing Activities	**668.33**	**165.26**	**(37.11)**	**-**	**-**	**796.48**

S. No.	Particulars	As at 01.04.2020	Expense	Cash Flows	Non - Cash Transactions		As at 31.03.2021
					Processing Cost	Others	
1	Non Current Borrowings (including current maturity)	185.41	-	194.42	-	-	379.83
2	Short Term Borrwings	367.45	-	(78.95)	-	-	288.50
3	Interest Expense	-	138.81	(138.81)	-	-	-
	Total Liabilities from Financing Activities	**552.86**	**138.81**	**(23.34)**	**-**	**-**	**668.33**

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

41 Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

41.1 **Fair Value of Financial Assets**

S. No.	Particulars	Carrying Values			
		As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A	**Financial assets whose fair value approximate their carrying value**				
1	Trade Receivables	678.24	975.08	958.00	1,077.35
2	Cash and Cash Equivalents	61.70	31.70	2.38	47.83
3	Investments	-	-	0.67	0.67
4	Security Deposit	73.55	76.80	75.53	6.40
5	Other Financial Assets	649.75	599.97	397.11	291.86
	Total	**1,463.24**	**1,683.55**	**1,433.69**	**1,424.11**

S. No.	Particulars	Fair Values			
		As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A	**Financial assets whose fair value approximate their carrying value**				
1	Trade Receivables	678.24	975.08	958.00	1,077.35
2	Cash and Cash Equivalents	61.70	31.70	2.38	47.83
3	Investments	-	-	0.67	0.67
4	Security Deposit	73.55	76.80	75.53	6.40
5	Other Financial Assets	649.75	599.97	397.11	291.86
	Total	**1,463.24**	**1,683.55**	**1,433.69**	**1,424.11**

41.2 **Fair Value of Financial Liabilities**

S. No.	Particulars	Carrying Values			
		As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A	**Financial liabilities whose fair value approximate their carrying value**				
1	Trade Payables & Other Payables	1,172.70	1,268.84	876.92	686.73
2	Long-Term Borrowings	745.41	331.78	314.97	257.35
3	Short-Term Borrowings	752.47	633.94	481.51	410.98
B	**Financial liabilities whose fair value determined using incremental borrowing rate**				
1	Lease Liability (Non-Current & Current)	36.11	-	-	-
	Total	**2,706.69**	**2,234.56**	**1,673.40**	**1,355.06**

S. No.	Particulars	Fair Values			
		As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
A	**Financial liabilities whose fair value approximate their carrying value**				
1	Trade Payables & Other Payables	1,172.70	1,268.84	876.92	686.73
2	Long-Term Borrowings	745.41	331.78	314.97	257.35
3	Short-Term Borrowings	752.47	633.94	481.51	410.98
B	**Financial liabilities whose fair value determined using incremental borrowing rate**				
1	Lease Liability (Non-Current & Current)	36.11	-	-	-
	Total	**2,706.69**	**2,234.56**	**1,673.40**	**1,355.06**

Management has assessed that carrying amount of all financial instruments are reasonable approximation of the fair value.

41.3 **Discount Rate used in determining Fair Value**

(a) The interest rate used to discount estimated future cash flows, where applicable, are based on the incremental borrowing rate of borrower which in case of financial liabilities is average market cost of borrowings of the Company and in case of financial asset is the average market rate of similar credit rated instrument. The company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

(b) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

42 Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on the fair value measurement is not based on observable market data.

The following table provides the fair value measurement hierarchy of the Company's Assets and Liabilities

42.1 **Fair Value Measurement Hierarchy for Assets as at 31.12.2023 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Assets whose Fair Value approximate their Carrying Value**				
1	Trade Receivables	678.24	-	-	678.24
2	Cash and Cash Equivalents	61.70	-	-	61.70
3	Investments	-	-	-	-
4	Security Deposit	73.55	-	-	73.55
5	Other Financial Assets	649.75	-	-	649.75
	Total	**1,463.24**	**-**	**-**	**1,463.24**

42.2 **Fair Value Measurement Hierarchy for Liabilities as at 31.12.2023 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Liabilities whose Fair Value approximate their Carrying Value**				
1	Trade payables & Other Payables	1,172.70	-	-	1,172.70
2	Long-Term Borrowings	745.41	-	-	745.41
3	Short-Term Borrowings	752.47	-	-	752.47
B	**Financial liabilities whose fair value determined using incremental borrowing rate**				
1	Lease Liability (Non-Current & Current)	36.11	-	-	36.11
	Total	**2,706.69**	**-**	**-**	**2,706.69**

42.3 **Fair Value Measurement Hierarchy for Assets as at 31.03.2023 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Assets whose Fair Value approximate their Carrying Value**				
1	Trade Receivables	975.08	-	-	975.08
2	Cash and Cash Equivalents	31.70	-	-	31.70
3	Investments	-	-	-	-
4	Security Deposit	76.80	-	-	76.80
5	Other Financial Assets	599.97	-	-	599.97
	Total	**1,683.55**	**-**	**-**	**1,683.55**

42.4 **Fair Value Measurement Hierarchy for Liabilities as at 31.03.2023 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Liabilities whose Fair Value approximate their Carrying Value**				
1	Trade payables & Other Payables	1,268.84	-	-	1,268.84
2	Long-Term Borrowings	331.78	-	-	331.78
3	Short-Term Borrowings	633.94	-	-	633.94
	Total	**2,234.56**	**-**	**-**	**2,234.56**

42.5 **Fair Value Measurement Hierarchy for Assets as at 31.03.2022 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Assets whose Fair Value approximate their Carrying Value**				
1	Trade Receivables	958.00	-	-	958.00
2	Cash and Cash Equivalents	2.38	-	-	2.38
3	Investments	0.67	-	-	0.67
4	Security Deposit	75.53	-	-	75.53
5	Other Financial Assets	397.11	-	-	397.11
	Total	**1,433.69**	**-**	**-**	**1,433.69**

42.6 **Fair Value Measurement Hierarchy for Liabilities as at 31.03.2022 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Liabilities whose Fair Value approximate their Carrying Value**				
1	Trade payables & Other Payables	876.92	-	-	876.92
2	Long-Term Borrowings	314.97	-	-	314.97
3	Short-Term Borrowings	481.51	-	-	481.51
	Total	**1,673.40**	**-**	**-**	**1,673.40**

42.7 **Fair Value Measurement Hierarchy for Assets as at 31.03.2021 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Assets whose Fair Value approximate their Carrying Value**				
1	Trade Receivables	1,077.35	-	-	1,077.35
2	Cash and Cash Equivalents	47.83	-	-	47.83
3	Investments	0.67	-	-	0.67
4	Security Deposit	6.40	-	-	6.40
5	Other Financial Assets	291.86	-	-	291.86
	Total	**1,424.11**	**-**	**-**	**1,424.11**

42.8 **Fair Value Measurement Hierarchy for Liabilities as at 31.03.2021 -**

S. No.	Particulars	Total (Carrying Value)	Fair Value Measurement Using		
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobser-vable inputs (Level 3)
A	**Financial Liabilities whose Fair Value approximate their Carrying Value**				
1	Trade payables & Other Payables	686.73	-	-	686.73
2	Long-Term Borrowings	257.35	-	-	257.35
3	Short-Term Borrowings	410.98	-	-	410.98
	Total	**1,355.06**	**-**	**-**	**1,355.06**

43 Financial Risk Management Objectives and Policies

The Company’s principal financial liabilities comprise of trade and other payables, borrowings, security deposits. The main purpose of these financial liabilities is to finance the Company’s operations. The Company's principal financial assets include trade and other receivables, cash, fixed deposits and security deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by Finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. The Finance department provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

43.1 **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.

The sensitivity analysis in the following sections relate to the position as at December 31, 2023, March 31, 2023, March 31, 2022 & March 31, 2021.

The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

(a) **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's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt and short term debt obligations with floating interest rates. The company is carrying its borrowings primarily at variable rates. For floating rates borrowings the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point Increase or decrease is used when reporting interest rate risk internally to Key management personnel and represents management's assessment of the reasonably possible change in interest rates.

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Variable Rate Borrowings	1,497.88	965.72	796.48	668.33

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variable held 'constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

S. No.	Particulars	Effect on Profit before Tax			
		As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Increase by 50 basis points	(74.89)	(48.29)	(39.82)	**(33.42)**
2	Decrease by 50 basis points	74.89	48.29	39.82	**33.42**

(b) **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company transacts business in local currency only. The Company does not have foreign currency trade payables and receivables and is therefore, not exposed to foreign exchange risk. The Company need not to use currency swaps or forward contracts towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate as per the risk management policy.

(c) **Price Risk**

The Company’s exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

43.2 **Credit Risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to our Company. Our Company is only dealing with government authorities which results in mitigating the risk of financial loss from defaults. Financial instruments that are subject to concentration of credit risk, principally consist of balance with banks, investments in bonds, trade receivables and loans and advances. Financial assets are written off when there is no reasonable expectation of recovery. Our Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which we operate. Loss rates are based on actual credit loss experience and past trends.

(a) **Trade Receivables**

Customer credit risk is managed by each Company subject to the Company’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. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The management believes that no further provision is necessary in respect of trade receivables based on historical trends of these customers. The customers of the company being Goverment and Government-Controlled Entities undertakings which owns the company's on an averagel 75% of the total debtors.

Also, an impairment analysis is performed at each reporting date on an individual basis for the other receivables of the company. The Company establishes an allowance for impairment that represents its expected credit losses in respect of other receivables.

The movement in the loss allowance in respect other receivables during the period is as follows:

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Opening Balance	7.32	6.30	-	-
2	Impairment Loss recognised during the year / period	9.02	1.02	6.30	-
	Closing Balance	**16.34**	**7.32**	**6.30**	**-**

43.3 **Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company’s objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimised cost.

The table below summarises the maturity profile of the Company’s financial liabilities based on contractual undiscounted payments.

S. No.	As at 31.12.2023	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
1	Trade Payables & Other Payables	-	1,070.97	101.73	-	1,172.70
2	Long-Term Borrowings	-	-	745.41	-	745.41
3	Short-Term Borrowings	-	752.47	-	-	752.47
4	Lease Liabilities	-	5.03	27.85	31.85	64.73
	Total	**-**	**1,828.47**	**874.99**	**31.85**	**2,735.31**

S. No.	As at 31.03.2023	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
1	Trade Payables & Other Payables	-	1,253.37	15.47	-	1,268.84
2	Long-Term Borrowings	-	-	331.78	-	331.78
3	Short-Term Borrowings	-	633.94	-	-	633.94
	Total	**-**	**1,887.31**	**347.25**	**-**	**2,234.56**

S. No.	As at 31.03.2022	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
1	Trade Payables & Other Payables	-	853.49	23.44	-	876.92
2	Long-Term Borrowings	-	-	314.97	-	314.97
3	Short-Term Borrowings	-	481.51	-	-	481.51
	Total	**-**	**1,335.00**	**338.41**	**-**	**1,673.40**

S. No.	As at 31.03.2021	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
1	Trade Payables & Other Payables	-	660.59	26.13	-	686.73
2	Long-Term Borrowings	-	-	257.35	-	257.35
3	Short-Term Borrowings	-	410.98	-	-	410.98
	Total	**-**	**1,071.57**	**283.48**	**-**	**1,355.06**

44 Disclosure pursuant to Ind AS 116 - "Leases"

44.1 The Company applied the available practical expedients wherein it -

(a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics.

(b) Relied on its assessment of whether leases are onerous immediately before the date of initial application.

(c) Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application

(d) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(e) Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

44.2 The Company has taken Registered Office, Corporate Office and various Offices at Project Sites under operating lease agreements till the end of Reporting Period. These are generally cancellable and are renewable with mutual consent. However, the company has now entered into Long Term Lease Contracts for Registered Office & Corporate Office for upto 10 Years and 15 Years.

44.3 The Company has elected not to apply the requirements of Ind AS 116 to short term leases of site offices that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term

44.4 The maturity analysis of contractual undiscounted cash flow in respect of lease recognised under IND AS 116 is disclosed under note 43.3.

44.5 The effective interest rate for lease liabilities is 11%.

44.6 **Amounts recognised in Statement of Profit or Loss**

S. No.	Particulars	For the period ended 31.12.2023	For the year ended 31.03.2023	For the year ended 31.03.2022	For the year ended 31.03.2021
1	Depreciation expenses of Right-of-use assets (Refer note 3(a) & 30)	6.28	-	-	-
2	Interest expenses on lease liabilities (Refer note 3(a) & 29)	2.95	-	-	-
3	Expenses related to short term leases or cancellable leases, leases of low value assets, variable lease payments (included in Construction Expenses and Other Expenses)	46.89	26.18	24.74	12.78

45 Ratio Analysis

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021	% Change from March 31, 2022 to March 31, 2023	% Change from March 31, 2021 to March 31, 2022
1	**Current Ratio (Times)**						
(a)	Current Assets	3,166.42	3,039.37	2,019.16	1,590.03		
(b)	Current Liabilities	2,075.26	2,078.87	1,604.41	1,105.12		
(c)	*(Current Assets / Current Liabilities)*	1.53	1.46	1.26	1.44	16%	-13%
2	**Debt - Equity Ratio (Times)**						
(a)	Total Debt	1,497.88	965.72	796.48	668.33		
(b)	Total Equity#	1,194.94	927.83	714.56	540.54		
(c)	*(Debt / Equity)*	1.25	1.04	1.11	1.24	7%	-10%
3	**Debt Service Coverage Ratio (Times)**						
(a)	Earnings before Interest, Taxes, Depreciation & Amortisation (EBITDA) - Taxes	578.02	480.67	401.20	313.30		
(b)	Principal Repayment + Interest Cost	262.32	354.28	250.23	100.17		
(c)	{(EBITDA - Taxes) / (Principal Repayment + Interest Cost)}	2.20	1.36	1.60	3.13	-15%	-49%
4	**Return on Equity Ratio (%)**						
(a)	Profit After Tax	265.90	213.95	176.64	129.28		
(b)	Average Shareholder's Equity#	1,061.39	821.20	627.55	492.98		
(c)	*(Profit After Tax / Average Shareholder's Equity)*	25.05%	26.05%	28.15%	26.22%	-7%	7%

DEEPAK BUILDERS & ENGINEERS INDIA LIMITED

Notes to the Restated Financial Statements

(All Amount in ₹ Millions, unless otherwise stated)

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021	% Change from March 31, 2022 to March 31, 2023	% Change from March 31, 2021 to March 31, 2022
5	**Inventory Turnover Ratio (Times)**						
(a)	Revenue from Operations (Net of GST)	3,224.65	4,334.55	3,630.52	3,107.55		
(b)	Average Inventories	1,871.26	1,195.56	468.69	467.31		
(c)	*(Revenue from Operations / Average Inventories)*	1.72	3.63	7.75	6.65	53%	16%
6	**Trade Receivables Turnover Ratio (times)**						
(a)	Revenue from Operations	3,224.65	4,334.55	3,630.52	3,107.55		
(b)	Average Trade Receivables	826.66	966.54	1,017.68	816.86		
(c)	*(Revenue from Operations / Average Trade Receivables)*	3.90	4.48	3.57	3.80	26%	-6%
7	**Trade Payables Turnover Ratio (times)**						
(a)	Net Purchases	2,075.03	3,899.64	2,938.04	1,780.33		
(b)	Average Trade Payables	1,117.17	997.96	732.47	594.21		
(c)	*(Net Purchases / Average Trade Payables)*	1.86	3.91	4.01	3.00	-3%	34%
8	**Net Capital Turnover Ratio (times)**						
(a)	Revenue from Operations	3,224.65	4,334.55	3,630.52	3,107.55		
(b)	Average Working Capital	1,025.83	687.63	449.83	495.13		
(c)	*(Revenue from Operations / Average Working Capital)*	3.14	6.30	8.07	6.28	-22%	29%
9	**Return on Capital Employed (%)**						
(a)	Earning before Interest & Taxes (EBIT)	521.50	424.97	365.21	280.50		
(b)	Capital Employed#	2,709.63	1,917.09	1,555.73	1,257.06		
(c)	*(EBIT / Capital Employed)*	19.25%	22.17%	23.48%	22.31%	-6%	5%
10	**Net Profit Ratio (%)**						
(a)	Profit After Tax	265.90	213.95	176.64	129.28		
(b)	Revenue from Operations	3,224.65	4,334.55	3,630.52	3,107.55		
(c)	*(Profit After Tax / Revenue from Operations)*	8.25%	4.94%	4.87%	4.16%	1%	17%
11	**Return on Investment (%)**** *(Return / Amount of Investment)*	N.A.	N.A.	N.A.	N.A.	--	--

** Ratios variances have been explained for any change by more than 25% as compared to the previous year.*

*** Return on Investment has not been computed because the FD's have been pledged against the margin held for Bank Guarantees.*

**** The company has not explained the reasons for variances in the ratios computed for the period ended December 31, 2023 in comparison with March 31, 2023 on account of non-comparability of reporting period.*

 # Total Equity, Average Shareholder's Equity and Capital Employed excludes Revaluation Surplus.

45.1 **Notes to Analytical Ratios**

(a) **% Change from March 31, 2021 to March 31, 2022**

(i) Variation in Debt Service Coverage Ratio is on account of increased loan instalment and interest cost, even though the profitability has also increased during the year.

(ii) Improvement in Trade Payables Turnover Ratio is on account of regularity in payments to the vendors of the company. Increased revenues further leads to increased purchases, but the change in balance of average trade payables as compared to previous year is less as compared to significant change in amount of purchases by the company as compared to the previous year.

(iii) Improvement in Net Capital Turnover Ratio is on account of increased revenue during the year as compared to previous year.

(b) **% Change from March 31, 2022 to March 31, 2023**

(i) Variation in Inventory Turnover Ratio is due to high level of inventories kept during the year for timely completion of large size contracts / projects awarded to the company.

(ii) Improvement in Trade Receivables Turnover Ratio is on account of timely realisability of receivales by the company. The change in balance of average trade receivables as compared to previous year is less as compared to significant change in amount of revenue as compared to the previous year.

46 Other Statutory Information

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

46.2 The Company do not have any transactions with companies struck off.

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

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

46.5 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

46.6 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

46.7 The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

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

46.9 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017

46.10 The Company has not revalued its property, plant and equipment during the financial year.

46.11 The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

47 <u>OTHER INFORMATION</u>

47.1 In the opinion of the Directors, Trade Receivables, Short Term Loans & Advances and Other Current Assets have been valued at which they are shown in the Balance Sheet if realised in the ordinary course of business.

47.2 Balances of parties under Trade Payables, Other Current Liabilities, Long Term Loans & Advances, Trade Receivables, Short Term Loans & Advances and Other Current Assets are subject to confirmation.

47.3 Previous Year Figures have been regrouped and recasted wherever necessary.

48 <u>Summary of Restatement Adjustments -</u>

Statement of Restatement Adjustments to Audited Financial Statements

48.1 **Reconciliation between Audited Equity and Restated Equity -**

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Equity as per Audited Financial Statements	**905.73**	**646.62**	**649.14**	**483.44**
(a)	Adjustments in Opening Reserves	-	-	(115.23)	(81.08)
(b)	Previous Balances written off	-	-	-	(34.15)
(c)	Deferred Tax Adjustment	-	-	(40.12)	(43.90)
(d)	Gratuity adjustments on account of Ind AS	-	-	0.89	-
(e)	Expected Credit Loss booked in Financial Statements	-	-	(6.30)	-
2	Equity as per Restated Financial Statements	**905.73**	**646.62**	**488.38**	**324.31**

48.2 **Reconciliation between Audited Profit after Tax with Restated Profit after Tax**

S. No.	Particulars	As at 31.12.2023	As at 31.03.2023	As at 31.03.2022	As at 31.03.2021
1	Total Comprehensive Income as per Audited Financial Statements	**265.90**	**213.95**	**178.99**	**134.97**
(a)	Gratuity adjustments as per Ind AS	-	-	3.51	-
(b)	Expected Credit Loss booked in Financial Statements	-	-	(6.30)	-
(c)	Deferred Tax Adjustment	-	-	0.44	(5.69)
2	Total Comprehensive Income as per Restated Financial Statements	**265.90**	**213.95**	**176.64**	**129.28**

49 The Restated Financial Statements has been approved for issue by Company's Board of Directors on May 24, 2024.

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OTHER FINANCIAL INFORMATION

The accounting ratios required under Paragraph 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below.

Particulars	As at and for the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Restated earnings per Equity Shares – Basic (in ₹)	7.41	5.96	4.92	3.60
Restated earnings per Equity Share – Diluted (in ₹)	7.41	5.96	4.92	3.60
Return on Net Worth (%)*	25.65%	26.80%	28.40%	26.22%
Net Asset Value per Equity Share (in ₹)	32.88	24.90	19.60	15.06
EBITDA	638.04	528.93	438.71	351.94

** Not annualised for the nine months period ended December 31, 2023.*

Notes:

(1) Earnings per Equity Share (Basic & Diluted) = Restated profit for the period/year attributable to the Equity Shareholders / number of Equity Shares outstanding during the period / year.

(2) Return on Net worth attributable to the Equity Shareholders of our Company (%) = Restated net profit for the period/year attributable to Equity Shareholders of our Company / Restated Average Net worth attributable to the Equity Shareholders of our Company as at the end of the period/year. Return on Net worth attributable to the Equity Shareholders of the company is a non-GAAP measure.

(3) Net Asset Value per Equity Share is calculated as net worth attributable to the Equity Shareholders of our Company as at the end of financial period/year divided by the number of Equity Shares used in calculating basic earnings per share.

"Net Worth attributable to the Equity Shareholders of our Company" means the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, including legal reserve and after deducting, if any the aggregate value of the accumulated losses, prepaid expenses, deferred expenditure and miscellaneous expenditure not written off as per the Restated Financial Statement, but does not include reserves created out of revaluation of assets and write-back of depreciation as on March 31, 2021, March 31, 2022, March 31, 2023 and nine months period ended December 31, 2023 in accordance with Regulation 2(1)(hh) of the SEBI ICDR Regulations, as amended. It also excludes OCI, NCI and deeply subordinate debt.

(4) EBITDA is calculated as restated profit / (loss) for the period / year, plus finance costs, total taxes, and depreciation and amortisation expense.

(5) Accounting and other ratios are based on the Restated Financial Information.

In accordance with the SEBI ICDR Regulations, the audited financial statements of our Company and the snapshot of the financials of the Group Company for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 together with all the annexures, schedules and notes thereto ("***Audited Financial Statements***") are available on our website at www.deepakbuilders.co.in.

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company or any entity in which it or its shareholders may have significant influence and should not be relied upon or used as a basis for any investment decision. Neither the Company or any of its advisors, nor any of the Book Running Lead Manager ("**BRLM**") or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Restated Financial Statements, or the opinions expressed therein.

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at December 31, 2023, as derived from our Restated Financial Information. This table should be read in conjunction with the sections titled ***"Risk Factors", "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations"*** on pages 36, 262 and 310, respectively.

(₹ in millions, except ratios)

Particulars	As at and for the nine months period ended December 31, 2023	As adjusted for the Offer*
Borrowings		
Total borrowings		
- Non-current borrowings	745.41	[●]
- Current –borrowings	617.12	[●]
- Current maturities of non-current borrowings	135.35	[●]
- Interest accrued	3.90	[●]
Debt (A)	**1,501.78**	[●]
Equity		
- Equity Share Capital	358.81	[●]
- Other Equity**	836.13	[●]
Equity (B)	**1,194.94**	[●]
Debt equity ratio (A/B)	1.25	[●]

**The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the Book Building Process and hence have not been furnished. To be updated upon finalization of the Offer Price.*

 # These terms shall carry the meaning as per Schedule III of the Companies Act.

***Other Equity is exclusive of revaluation reserve.*

Notes:

The above has been computed on the basis on amounts derived from the Restated Financial Information.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*You should read the following discussion and analysis of our financial condition and results of operations, and our assessment of the factors that may affect our prospects and performance in future periods, together with ourRestated Financial Information for the nine months period ended December 31, 2023 and for Fiscal 2023,Fiscal 2022 and Fiscal 2021, including the notes thereto and reports thereon, each included in this Draft Red Herring Prospectus. Unless otherwise indicated or the context otherwise requires, the financial information for the nine months period ended December 31, 2023 and for Fiscal 2023, Fiscal 2022 and Fiscal 2021, included herein is derived from the Restated Financial Information, included in this Draft Red Herring Prospectus. For further information, see "**Financial Information**" on page 262. Our financial year ends on March 31 of each year, and references to a particular year are to the 12 months period ended March 31 of that year.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "**Industry Report on Construction Industry in India**" dated March 31, 2024" (the "**D&B Report**") prepared and issued by Dun & Bradstreet Information Services India Private Limited ("**D&B India**"), appointed by us on January 10, 2024, and exclusively commissioned and paid for by us in connection with the Offer. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our Directors or KMPs or SMPs. The data included herein includes excerpts from the D&B Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant calendar year. A copy of the D&B Report is available on the website of our Company at www.deepakbuilders.co.in until the Bid/Offer Closing Date. For more information, see **"Risk Factors – Certain sections of this Draft Red Herring Prospectus disclose information from the D&B Report which have been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks"** on page 60.*

Unless the context otherwise requires, in this section, references to 'we', 'us', 'our', 'the Company', 'our Company' or 'DBEIL' refers to Deepak Builders & Engineers India Limited.

OVERVIEW

We are an integrated engineering and construction company, specializing in execution and construction of administrative & institutional buildings, hospitals and medical colleges, industrial building, historical memorial complex, stadium and sports complex, residential complex and, various developmental and other construction activity ("**Construction Projects**"). While our primary focus and strength are deeply rooted in Construction Projects, we have diversified in undertaking specialized structural work such as flyovers, rail under bridge, rail over bridges, approach roads and development and redevelopment of railway stations ("**Infrastructure Projects**"). We undertake Construction & Infrastructure Projects both, as EPC services on a fixed-sum turnkey basis as well as on an item-rate basis/percentage basis. As an engineering and construction company, we have a proven track record of executing turnkey projects comprising of architectural & structural work, civil, electrical, mechanical, HVAC, firefighting & fire alarm systems, public health services, information technology system, modular operation theatre, medical gas pipeline systems and external development, including landscaping work. Since incorporation, our Company has transitioned to an established EPC player, demonstrating expertise in various construction and infrastructure development projects including specialized structures across four (4) states of India, i.e. Punjab, Haryana, Rajasthan, Uttarakhand and two (2) Union Territories i.e. Chandigarh and National Capital Territory of Delhi. Our revenue from operations has increased significantly from ₹3,107.55 million in Fiscal 2021 to ₹4,334.55 million in Fiscal 2023 and to ₹3,224.65 million in the nine months period ended December 31, 2023.

Incorporated in September 2017, we acquired the business of M/s. Deepak Builders, a partnership firm ("**Deepak Builders Partnership Firm**" or "**Erstwhile Firm**"), vide a Business Takeover Agreement dated March 1, 2018. Deepak Builders Partnership Firm was constituted by our Promoter, Deepak Kumar Singal on April 1, 1990. Deepak Kumar Singal (*through the Erstwhile Firm*) has been in the construction business for over 30 years and has also been instrumental in the growth of our Company. Since 1990, Deepak Kumar Singal has contributed towards the completion of sixty (60) Construction & Infrastructure Projects (inclusive of projects completed in Erstwhile Firm as well as our Company), which includes nine (9) EPC projects and fifty-one (51) projects on an item-rate/percentage rate basis.

Since our incorporation in September 2017, we have gradually increased our execution capabilities in terms of the size of projects that we can bid for and execute. One of our initial projects that was awarded to our Company in 2018 by PWD Haryana, was for an aggregate contract value of ₹514.40 million[4] for construction of flyover with underpass and service roads at Atul Kataria Chowk (Old Delhi – Jaipur Road). Whereas, more recently we have been awarded our first contract for construction of plant building (*under our industrial building projects*) by Indian Oil Corporation Limited ("**IOCL**"), Panipat, Haryana with a contract value amounting to ₹5,329.59[1] million.

Since, acquisition of business from Erstwhile Firm, we have completed sixteen (16) Projects[5] including some prestigious projects, such as construction of Jang-E-Azadi Memorial at Kartarpur, Jalandhar, Punjab with a contract value amounting to ₹2,183.60 million[1], development of Karuna Sagar Maharishi Valmiki Tirath Asthaan at Ram Tirath, Amritsar, Punjab with a contract value amounting to ₹1,972.40 million[1], construction of Geriatrics Block in AIIMS Campus, New Delhi with a contract value amounting to ₹2,243.20 million[1], construction of super specialty block at Government Medical College, Patiala with a contract value amounting to ₹665.00 million[1]. For information in respect of our completed projects, see "***Our Completed Projects***" on page 212.

Currently, our Company has eleven (11) ongoing projects, including six (6) EPC projects and five (5) item-rate/percentage rate contracts. Of our total ongoing projects, our Construction Projects comprises of four (4) hospital and medical college projects, one (1) administrative & institutional buildings; one (1) industrial building; and our Infrastructure Projects comprises of three (3) projects relating to upgradation/development/redevelopment of Railway Station and related work, and two (2) roads & bridges projects relating to rail over bridges. Further, we also undertake operation and maintenance ("**O&M**") activities in accordance with our contractual obligations under the projects.

We are accredited as a Class I – (Super) Contractor with Central Public Work Department, Government of India and as on the date of this Draft Red Herring Prospectus, we are pre-qualified to bid independently for single projects up to a tender value of ₹6,500.00 million. For details, see "***Government and Other Approvals***", on page 351.

Our order book, as on February 29, 2024, nine months period ended December 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, amounts to ₹12,115.68 million, ₹12,808.10 million, ₹16,578.79 million, ₹7,196.32 million and ₹5,443.40 million, respectively. Of our total order book value as on February 29, 2024, projects awarded by Northern Railways contributed 52.51%, industrial building project awarded by IOCL contributed 30.32%, and hospital and medical project awarded by government-controlled entities collectively contributed 11.61%. Our book to bill ratio for nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 was 3.53, 4.05, 2.11 and 1.66 times, respectively[6]. Our order book as of a particular date comprises of anticipated revenues from uncompleted portion of existing contracts (signed contract for which all pre-conditions to entry have been met, including letters of intents issued by the client). For information in respect of our ongoing projects, see "***Our Order Book***" on page 214.

The business of our Company can be classified under the below verticals:

- Construction Projects business;
- Infrastructure Projects business; and

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4 The contract value is with GST

5 On the basis of work competition certificates or LOA issued in the name of the Company

6 Book to Bill ratio is calculated as Order Book at a particular period divided by the Revenue from operations for that period

- Sale of products.

Construction Project Business

Under our construction project business vertical, we undertake turnkey construction work and specializes in construction of administrative & institutional buildings, hospital and medical college buildings, industrial building, historical memorial complex, stadium and sports complex, and residential complex. We undertake construction projects awarded by government, semi-government and government-controlled entities. Such projects are awarded to us through a competitive bidding process.

Our construction business majorly comprises of government, semi-government and governement-controlled entities ("**Government Clients**") awarded civil construction projects including construction and development of:

a) Administrative & Institutional Building Projects – These projects primarily involve the construction and development of multi storied government administrative & institutional building under the government projects. We typically undertake construction of the building structure including construction of specific structure inside the building such as auditorium, offices, internal and external civil works, external development work, HVAC, Mechanical Electrical & Plumbing **("MEP")** works etc. in accordance with the specifications outlined in the project contract.

b) Hospitals and Medical College Building Projects – These projects primarily involve the construction and development of multi storeyed hospitals and medical college buildings along with internal and external civil works, external development work, HVAC, MEP works, construction of modular operation theatre & medical gas pipeline system etc. in accordance with the specifications outlined in the project contract.

c) Historical Memorial Complex – These projects primarily involve construction and development of historical memorial complex and monuments which includes construction of multi storeyed civil structures along with other structures such as domes, minars, statues and other components of buildings along with entrance foyer, auditorium, seminar halls, theaters, food courts, offices, library, galleria, etc. in accordance with the specifications outlined in the project contract. Our scope of work also includes internal and external civil works, external development work, HVAC, MEP works etc.

d) Industrial Building – This is our new vertical which would primarily involve construction and development of plant & non-plant buildings for industrial use. The scope of building works includes complete architectural, civil, structural, electrical, HVAC and IT systems related work for the buildings in accordance with the specifications outlined in the project contract.

e) Stadium and Sports Complex – These projects primarily involve construction and development of stadium and sports complex such as International Cricket Stadium, New Chandigarh etc. The scope of work includes construction of civil work, public work, health and electrical work, HVAC, CCTVs, electronic security system, etc. in accordance with the specifications outlined in the project contract.

f) Residential Complex – These projects primarily involve construction of government residential buildings along with finishing, public health services, electrical works complex under the projects awarded by the government clients in accordance with the specifications outlined in the project contract.

g) Developmental and other Construction Activity – We also undertake various developmental and construction activity such as beautification and land scaping work, environmental park, construction of fruit and vegetable market, painting works, erection and commissioning of utilities, etc. The contract for such developmental and construction activity also includes carrying out civil work, electrical and public health work, construction of roads, footpath, parking pavement, brick work, etc. in accordance with the specifications outlined in the project contract.

Infrastructure Project Business

Under our Infrastructure Projects business verticals, we primarily undertake;

(a) Road Projects – We undertake projects on an EPC basis which comprises of designing, construction, realignment, widening, upgradation, diversion, improvements of approach roads, service road, foot path, rail over bridge, rail under bridge, underpass and flyovers, etc. in accordance with the specifications outlined in the project contracts.

(b) Railway Projects – This being our new vertical where we undertake engineering, procurement, construction, development and redevelopment of railway stations along with construction of station building, arrival concourse, cover over platform, railway rest houses, railway hospitals, railway quarters, multi-level car parking, foot over bridges, internal roads, pavements, various interior and exterior work, etc. in accordance with the specifications outlined in the project contracts.

The table below outlines the Construction & Infrastructure Projects executed by us during Fiscal 2021 to Fiscal 2023 and for the nine months period ended December 31, 2023.

(₹ in million)

Project type	No of completed projects	Contract Value of completed projects*
Hospitals & medical college building	4	4,408.55
Developmental and other Construction Activity	5	2,231.84
Road Projects	3	1,563.10
Stadium & Sports Complex	1	1,401.20
Residential Complex	1	1,185.38
Administrative & Institutional building	2	197.96

**Contract value is inclusive of GST*

We have rich domestic experience in executing construction projects. The scope of our services includes designing, detailed engineering of the project, procurement of construction materials, plant and machinery, construction and execution of the project and its operation and maintenance in accordance with the contractual provisions. Our manpower, resources and fleet of machinery and equipment, together with our engineering capabilities, enables us to execute multiple of projects simultaneously. We believe that our resources, quality of work and project execution skills have enabled us to enhance our relationships with existing clients and helps us to further secure projects from new clients.

We possess experience of executing projects with varying degrees of complexities such as design engineering and construction of 3D Domes at Jang-E-Azadi, Kartarpur, Punjab; Heritage Walk at Golden Temple Corridor, Amritsar, Punjab; construction of fire ramps in specialized steel structure at AIIMS, Delhi and other similar projects. We have developed and diversified our technical capabilities in executing varied projects and also our geographical presence across four (4) states of India, including Punjab, Haryana, Rajasthan, Uttarakhand and two (2) Union Territories ("**UT**") i.e. Chandigarh and National Capital Territory of Delhi.

Historically, we have undertaken projects independently without any joint venture partners and have a track record of successful execution of projects. At present, our operations are accumulated in the northern part of India comprising the states of Punjab, Haryana, Rajasthan, Uttarakhand and Union Territories of Chandigarh and National Capital Territory of Delhi.

We believe that our execution capabilities have helped us create a marquee client base consisting of government, semi-government and government-controlled entities. Our major clients include Northern Railways, Public Work (Roads & Buildings) Department, Punjab ("**PWD Punjab**"), Public Work (Roads & Buildings) Department, Haryana ("**PWD Haryana**"), Public Work Department, Uttarakhand ("**PWD Uttarakhand"**), WAPCOS, NPCCL, HSCC, IOCL, Greater Mohali Area Development Authority, Punjab ("**GMADA Punjab**"), Ludhiana Smart City Limited ("**LSCL**"), Punjab Cricket Association ("**PCA**") and Punjab Heritage and Tourism Promotion Board ("**PHTPB**").

Sale of Products

Our Company being in the business of construction requires steel, cement, sand, aggregates, etc., for executing the projects awarded to our Company. In order to execute the work on time and to reduce the cost of procurement for the above items required for completion of a projects, the Company has set-up RMC plants at different locations as backward integration and also stock other construction materials like iron and steel, cement, etc., required in construction of our projects. After captive consumption, certain residue construction material primarily steel, are sold in the open market to third party contractors, traders, etc. on commercially viable terms.

Our human resource and our owned and leased fleet of modern construction machinery and equipment, along with our engineering skills and capabilities, enable us to undertake a wide variety of construction projects that involve a varying degree of complexity. Our work force, as on February 29, 2024 consisted of 642 full-time employees, comprising both skilled and on-site workers engaged in various projects. We also engage contract labourers whom we hire based on our requirement from time-to-time. We believe that our in-house integrated model of equipment management reduces dependence on third party suppliers for construction machinery and equipment and thus enabling us in execution of our projects.

We are led by our Promoter and the Chairman cum Managing Director namely, Deepak Kumar Singal who has extensive experience of more than 30 years in the construction industry and has been intimately involved in our business since incorporation. Our Promoter remains actively involved in our operations and continues to bring his vision, business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. We also have dedicated management team with a strong understanding of the industry that enables us to effectively identify and take advantage of market opportunities. We believe that the experience of our senior management team has significantly contributed to our success and growth. For further details, see "***Our Promoters***" and "***Our Management***" on page 254 and 238, respectively.

Our Company's revenue from operations for nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below:

(*₹ in million*)

Our operations	Revenue from Operations as on December 31, 2023	As % of Revenue from Operations	Revenue from Operations as on March 31, 2023	As % of Revenue from Operations	Revenue from Operations as on March 31, 2022	As % of Revenue from Operations	Revenue from Operations as on March 31, 2021	As % of Revenue from Operations
Construction Projects								
Administrative & Institutional	-	-	-	-	21.85	0.60%	40.40	1.30%
Hospitals and medical college	951.44	29.51%	2,232.42	51.50%	1,647.15	45.37%	1,477.51	47.55%

Our operations	Revenue from Operations as on December 31, 2023	As % of Revenue from Operations	Revenue from Operations as on March 31, 2023	As % of Revenue from Operations	Revenue from Operations as on March 31, 2022	As % of Revenue from Operations	Revenue from Operations as on March 31, 2021	As % of Revenue from Operations
Sports & Stadiums Complex	-	-	-	-	91.69	2.53%	112.14	3.61%
Developmental and other Construction Activity	32.62	1.01%	300.70	6.94%	232.43	6.40%	526.85	16.95%
Residential Buildings	22.90	0.71%	243.25	5.61%	599.66	16.52%	-	-
Industrial Building	797.52	24.73%	507.48	11.71%	-	-	-	-
Infrastructure Projects								
Road Projects	63.60	1.97%	161.09	3.72%	408.76	11.26%	760.83	24.48%
Railway Projects	1,209.72	37.51%	28.49	0.66%	-	-	-	-
Sale of Product								
Sale of Material	146.85	4.55%	861.12	19.87%	628.98	17.32%	189.82	6.11%

As certified by our Statutory Auditor M/s Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024

Key Performance Indicator

From the commencement of our business operations, we have witnessed a rise in our revenue from operations and moreover we have demonstrated profitability with operating performance. Our Company had achieved revenue from operations of ₹3,224.65 million for the nine months period ended December 31, 2023, ₹4,334.55 million in Fiscal 2023, ₹3,630.52 million in Fiscal 2022 and ₹3,107.55 million in Fiscal 2021, representing, 99.08%, 99.54%, 99.47% and 99.59% of our total income, respectively.

Our key financial performance indicator for the nine months period ended December 31, 2023, Fiscal 2023, Fiscal 2022 and Fiscal 2021 are detailed as below:

(₹ in million, unless stated otherwise)

Parameter	For the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Total income[(a)]	3,254.57	4,354.60	3,649.87	3,120.38
Total revenue from operations [(b)]	3,224.65	4,334.55	3,630.52	3,107.55
Current Ratio[I]	1.53	1.46	1.26	1.44
EBIDTA[(d)]	638.04	528.93	438.71	351.94
EBIDTA Margin (in %)[(e)]	19.79%	12.20%	12.08%	11.33%
Net Profit for the Year[(f)]	265.90	213.95	176.64	129.28
Net Profit Margin (in %)[(g)]	8.25%	4.94%	4.87%	4.16%
Return on Net Worth (in %)[(h)]	25.65%	26.80%	28.40%	26.22%

Parameter	For the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Return on Capital Employed (in %)[(i)]	23.66%	26.10%	27.26%	27.12%
Debt-Equity Ratio[(j)]	1.25	1.04	1.11	1.24
Net Debt / EBITDA Ratio[(k)]	2.25	1.77	1.81	1.76

As certified by our Statutory Auditor M/s Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024

Notes:

(a) *Total income includes revenue from operation and other income*

(b) *Revenue from operations represents the Contact receipt income from the projects executed by the Company as recognized in the Restated financial information.*

(c) *Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.*

(d) *EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year and adding back finance costs, depreciation, and amortization expense.*

(e) *EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.*

(f) *Net Profit for the year represents the restated profits of our Company after deducting all expenses.*

(g) *Net Profit margin is calculated as restated profit & loss after tax for the year divided by revenue from operations.*

(h) *Return on Net worth attributable to the Equity Shareholders of our Company (%) = Restated net profit for the period/year attributable to Equity Shareholders of our Company / Restated Average Net worth attributable to the Equity Shareholders of our Company as at the end of the period/year. Return on Net worth attributable to the Equity Shareholders of the company is a non-GAAP measure.*

(i) *Return on capital employed is calculated as adjusted EBITDA less depreciation and amortisation / Capital Employed. Adjusted EBITDA is calculated as EBITDA less other income. Capital Employed is calculated as total equity plus total borrowings plus total lease liabilities and deferred tax liabilities (net) minus deferred tax assets (net).*

(j) *Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital and other equity excluding revaluation surplus.*

(k) *Net Debt to EBITDA Ratio is a measurement of leverage, calculated as a comp'ny's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA*

FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our results of operations and financial condition are affected by several important factors including:

Growth of our Order Book

Our Order Book (including GST) represents the estimated contract value of the unexecuted portion of our existing assigned EPC contracts and item-rate basis contracts. As on February 29, 2024, our Order Book was ₹12,115.68 million (including GST). The projects in our Order Book are subject to changes in the scope of undertakings as well as adjustments to the costs relating to the contracts. For the purposes of calculating the Order Book value, our Company does not take into account any escalation or change in work scope of our ongoing projects as of the relevant date, or the work conducted by us in relation to any such escalation of change in work scope of such projects until such date. The value of the orders we receive impacts our future performance. Any cancellation of orders or termination of projects under construction by our customers may result in a reduction of our expected future revenue. Our revenues and profitability are also affected by the type, number and value of the projects we undertake in a relevant financial year, as well as the stages of completion of the relevant projects. As our projects may have different profit margins and may be in different stages of completion or operation, different amounts of revenue and profit can be recognized and/or realized at relevant times. Our results of operation from our projects may vary from fiscal to fiscal depending on the project implementation schedule. Projects which are spread over longer periods of time may also be subject to various other risks which we may not be able to control or foresee. Further, the projects awarded to us may be cancelled subsequently on account of various factors, including non-availability of land. There has been instances in the past where contracts awarded to our Company were revoked or cancelled, and our Company has challenged the said cancellation.

Our bidding and execution capabilities

As a part of our business and operations, we bid for projects on a continual basis. Projects are awarded followingcompetitive bidding processes and satisfaction of prescribed qualification criteria. In our business, our ability to bid for EPC and item-rate basis projects is based on our pre-qualification credentials which is based on our technical capability and performance, reputation for quality, safety record, financial strength and experience in similar projects undertaken in the past. We face significant competition for the award of projects from a large number of construction, infrastructure and road development companies who also operate in the same regional markets as us. Further, some of our competitors are larger than us, have stronger financial resources or have a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. Competition from other construction, infrastructure and road development companies may adversely affect our ability to successfully bid for projects at price levels which would generate desired returns for us. As a part of the bidding process, the nature and value of contracts executed in the past is an important factor in allowing companies to bid for the new projects. Pre-qualification is key to our winning major projects. Our net worth and track record qualify us to bid for a large number of the projects in India. To bid for some higher value contracts, we sometimes seek to form joint ventures or do joint operations with other experienced and qualified companies. However, as on the date of this Draft Red Herring Prospectus, no contracts were awarded to the project specific joint venture arrangement entered by our Company with other players and hence, such joint ventures has ceased to be in existence.

After a project is awarded, completion on time is subject to various factors, including, funding arrangements beingin place, acquisition of land by the authority, obtaining the relevant licenses and approvals in a timely manner andquick mobilization of resources. We target efficient deployment of equipment and resources, quick decision- making capabilities by on-site project managers, strong relationships with vendors and effective co-ordination between project sites and our offices. Delays in the completion of a project can lead to our customers delaying inmaking our payments. Even relatively short delays or surmountable difficulties in the execution of a project couldresult in delays in receiving, on a timely basis, all payments due to us on a project. Our inability to complete or monetize such work in a timely manner, or at all, may adversely affect our business and results of operations.

Cost of Material Consumed

Our construction operations require various bulk construction materials including steel, cement, consumables, lifts and aggregates. Fuel costs for operating our construction and other equipment also forms part of our operating expenses. Cost of materials consumed accounted for 53.73%, 66.69%, 68.67% and 71.52% of our revenue from operations for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively. Cost of materials consumed primarily consists of expenses incurred towards purchase of raw materials, such as, steel and cement, for our ongoing EPC and item-rate basis projects. We may experience unanticipated increases in costs due to fluctuations in the supply and demand in the construction materials. At certain times, there can be a scarcity of materials, which may cause substantial increases in the prices of such materials. Transport of these raw materials is subject to various conditions beyond our control, including poor roads, inclement weather, industrial accidents, pandemic etc. Our ability to pass on increased costs to our customers depends on our contractual arrangements. If we are unable to pass on such unanticipated price increases to our customers under our contractual arrangements, we may have to absorb such increases and our business, financial condition and results of operations may be adversely affected.

Availability of cost-effective funding sources

Our ability to grow in the infrastructure sector depends largely on cost effective avenues of funding. Our businessrequires a large amount of working capital, including to finance the purchase of raw materials and equipment, thehiring of equipment and the performance of engineering, construction and other work on projects before paymentsare received from customers.

Our outstanding borrowings (including fund and non-fund based), amounted to ₹4,355.79 million, ₹3,906.09 million, ₹2,386.78 million and ₹2,040.23 million, as on December 31, 2023 and Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

We have typically financed our capital requirements through bank borrowings and internal accruals. Access to adequate capital from bank borrowings is on such terms and conditions which are mutually acceptable to our Company and the lenders. If we experience insufficient cash flows to allow us to make required payments on ourdebt or fund working capital requirements, there may be an adverse effect on our business and results of operations.

Geographic locations, seasonality and weather conditions

Our business operations are dependent on the location where the project to be executed is situated. However, our projects are mainly in the nature of construction projects, with minimum roads & bridges project, where our activities are not significantly impacted by the terrain or location of the project. Certain of ourongoing Projects involve varied degrees of complexities such as construction in high-traffic and high-density areas, etc. Adverse weather conditions such as heavy rains, landslides, floods, including during the monsoon season, may restrict our ability to carry on construction activities or may result in damage to a portion of our fleet of equipment or camp sites resulting in the suspension of operations, and may prevent us from completing the projects on time or generally reduce our operational efficiency. Our operations are also adversely affected by difficult working conditions and extremely high temperatures during summer months and shorter working hours in peak winter season, each of which may restrict our ability to carry on our activities and fully utilize our resources.

Competition

We compete against various construction, infrastructure and engineering companies. We face significant competition for the award of projects from a large number of construction, infrastructure and road development companies who also operate in the same regional markets as us. Further, some of our competitors are larger than us, have stronger financial resources or a more experienced management team, or have stronger engineering capabilities in executing technically complex projects. Our competition depends on various factors, such as the type of project, total contract value, potential margins, complexity, location of the project and risks relating to revenue generation.While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the decidingfactor in most tender awards. Competition from other construction, infrastructure and engineering companies may adversely affect our ability to successfully bid for projects at price levels which would generate desired returns for us. Our identified listed peer companies are ITD Cementation Limited, IRCON International Limited, Ahluwalia Contracts (India) Limited, PSP Projects Limited (*source: D&B Report*)

SIGNIFICANT ACCOUNTING POLICIES UNDER IND AS

The notes to the Restated Financial Information included in this Draft Red Herring Prospectus contain a summary of our significant accounting policies. Set forth below is a summary of our most significant accounting policies adopted in preparation of the Restated Financial Information.

<u>Basis of Preparation of and compliance with Ind AS</u>

The Restated Summary Statements comprises of the Restated Statement of Assets and Liabilities of the Company as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the related Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Statement of Cash Flows and the Restated Statement of Changes in Equity for each of the period / years ended December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, and the summary of Accounting

Policies and explanatory notes (“Restated Summary Statements”)

These Restated Summary Statements have been prepared by the Management of the Company in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, issued by the Securities and Exchange Board of India ('SEBI') on September 11, 2018, in pursuance of the Securities and Exchange Board of India Act, 1992 ("ICDR Regulations") for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP" or "Offering Document") in connection with the proposed initial public offering of equity shares of face value of ₹ 10 each of the Company comprising a fresh issue of Equity Shares and an offer of sale of Equity Shares held by the Selling Shareholders (collectively the “Offer”). These Restated Summary Statements have been prepared by the Company to comply in all material respects with the requirements of:

a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act").
b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI), as amended (the “Guidance Note”).

These Restated Summary Statements have been compiled by the Management from:

a) Audited Interim Financial Statements of the Company as at and for the period ended December 31, 2023 which were prepared in accordance with the accounting principle generally accepted in India including Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, which have been approved by the Board of Directors at their meeting held on May 24, 2024.

   a) Audited Financial Statements of the Company as at and for the year ended March 31, 2023 which were prepared in accordance with the Indian Accounting Standard (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on February 09, 2024.

   b) Audited Financial Statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021prepared in accordance with the accounting standards notified under the section 133 of the Act (“Indian GAAP”) and other accounting principles generally accepted in India, at the relevant time, which have been approved by the Board of Directors at their meetings held on September 6, 2022 and August 23, 2021.

   c) The information for the years ended March 31, 2022 and March 31, 2021 included in such restated financial statements have been prepared by the management by making Ind AS adjustments to the audited financial statements of the Company as at and for the years ended March 31, 2022 and March 31, 2021 prepared in accordance with the Accounting Standards notified under the section 133 of the Act (“Indian GAAP”) which was approved by the Board of Directors at their meeting held on March 26, 2024.

The accounting policies have been consistently applied by the Company in preparation of the Restated Summary Statements and are consistent with those adopted in the preparation of Audited Financial Statements for the nine months period ended December 31, 2023. These Restated Summary Statements have been prepared by the Company on the basis that it will continue to operate as a going concern.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments,

- Certain other financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The Financial Statements are presented in Indian Rupees (₹) and all values are rounded to the nearest **Millions** (₹ 1,000,000) except wherever otherwise stated.

Summary of Significant Accounting Policies

(A) Current versus Non-Current Classification

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:
- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or Cash Equivalent unless restricted from being exchanged or used to settle liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:
- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
- All other liabilities are classified 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.

(B) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(C) <u>Foreign Currency</u>

(i) **<u>Functional and Presentation Currency</u>**

The financial statements of the Company are presented using Indian Rupee (₹), which is also our functional currency i.e. currency of the primary economic environment in which the company operates.

(ii) **<u>Transactions and Balances</u>**

Foreign currency transactions are translated into the respective functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

(D) <u>Property, Plant and Equipment</u>

PPE is recognised 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. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Property, Plant and Equipment acquired on hire purchase basis are recognised at their cash values. Cost includes professional fees related to the acquisition of PPE and for qualifying assets, borrowing costs capitalised in accordance with the company's accounting policy.

PPE not ready for the intended use as on the date of the Balance Sheet are disclosed as "Capital Work In Progress". (Also refer to policies on leases, borrowing costs, impairment of assets and foreign currency transactions).

Depreciation is recognised using **Straight Line Method** so as to write off the cost of the assets (other than freehold land & immovable properties) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future economic-benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

Where cost of a part of the asset ("asset component") is significant to total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and such asset component is depreciated over its separate useful life.

Depreciation on additions to / deductions from, owned assets is calculated pro rata to the period of use.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

Assets acquired under finance leases are depreciated on a straight-line basis over the lease term. Where there is reasonable certainty that the company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the company for similar assets.

Freehold land is not depreciated.

(E) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible Assets Under Development".

Intangible assets are amortised on Straight-Line Basis over the estimated useful life. The method of amortisation and useful life is reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

(F) Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units' (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely, independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses on non-financial asset, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI upto the amount of any previous revaluation surplus.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate; and when circumstances indicate that the carrying value may be impaired.

(G) Non-Current Assets Held For Sale

The Company classifies non-current assets and disposal groups as 'Held for Sale' if their carrying amounts will be recovered principally through a sale rather than through continuing use and sale is highly probable i.e. actions required to complete the sale indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn.

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, Plant and Equipment and intangible assets once classified as held for sale are not depreciated or amortised.

(H) Earnings per Share

Basic EPS amounts are calculated by dividing the profit for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company 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.

(I) Cash and Cash Equivalents

Cash and Cash Equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(J) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(K) Investment Property

Properties, including those under construction, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs.

Depreciation is recognised using Straight-Line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013 or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognision of property is recognised in the Statement of Profit and Loss in the same period.

(L) Inventories

Inventories which comprise raw material, work in progress, finished goods, traded goods and stores and spares are valued at the lower of cost and net realisable value.

The basis of determining costs for various categories of inventories is as follows:

(i) Raw Materials

Raw Material is valued at lower of cost or net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other expenditure directly attributable to the acquisition.

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.

(ii) Stores & Spares and Consumables

It includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

(iii) Work-In-Progress

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.

(iv) Traded Goods

Lower of cost and net realizable value. Cost ascertained on FIFO Basis includes all the purchase price, duties and taxes which are not recoverable from government authorities, freight inwards and other costs incurred in bringing 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.

(M) Leases

(i) Company as a Lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

1) Right-of-Use Assets

The Company recognized right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a Straight-Line basis from the commencement date to the end of lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as mentioned in the Impairment of non-financial assets section of the accounting policies of the company.

2) <u>Lease Liabilities</u>

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

3) <u>Short Term Leases and Leases of Low Value of Assets</u>

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(ii) <u>Company as a Lessor</u>

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(N) <u>Financial Instruments</u>

(i) <u>Initial Recognition</u>

Financial instruments i.e. Financial Assets and Financial Liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial instruments are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial instruments at fair value through profit or loss) are added to or deducted from the fair value of the financial instruments, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial instruments assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

(ii) Financial Assets

Subsequent Measurement

All recognised financial assets are subsequently measured at amortized cost using effective interest method except for financial assets carried at fair value through Profit and Loss (FVTPL) or fair value through Other Comprehensive Income (FVTOCI).

1) Equity Investments in Subsidiaries, Associates and Joint Venture

Our Company accounts for its investment in subsidiaries, joint ventures and associates and other equity investments in subsidiary companies at cost in accordance with Ind AS 27 - ‘Separate Financial Statements’.

2) Equity Investments (other than investments in subsidiaries, associates and joint venture)

All equity investments falling within the scope of **Ind-AS 109** are mandatorily measured at Fair Value through Profit and Loss (FVTPL) with all fair value changes recognized in the Statement of Profit and Loss.

The Company has an irrevocable option of designating certain equity instruments as FVTOCI. Option of designating instruments as FVTOCI is done on an instrument-by-instrument basis. The classification made on initial recognition is irrevocable.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument are recognized in Statement of Other Comprehensive Income (SOCI). Amounts from SOCI are not subsequently transferred to profit and loss, even on sale of investment.

3) Investment in Preference Shares

Investment in preference shares are classified as debt instruments and carried at amortised cost if they are not convertible into equity instruments and are not held to collect contractual cash flows. Other Investment in preference shares which are classified as debt instruments are carried at FVTPL.

Investment in convertible preference shares of subsidiary, associate and joint venture companies are treated as equity instruments and carried at cost. Other Investment in convertible preference shares which are classified as equity instruments are mandatorily carried at FVTPL.

4) De-recognition

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired, or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass through arrangement; and with that –

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

5) Impairment of Financial Assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. **Ind AS 109** requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all trade receivables and/or contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(iii) Financial Liabilities

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Subsequent measurement

The company have all the borrowings at floating interest rate. Being variable interest rate, it is not possible to estimate future cash flows. Borrowings are recognised initially at an amount equal to the principal receivable or payable on maturity. So, re-estimating the future cash flows has no significant impact on the carrying value of Borrowings. Transaction costs are not material to be included in the EIR calculation. So the carrying value is being considered as amortised cost for all the borrowings bearing a floating interest rate. For trade and other payables maturing within one year from the balance sheet date, the carrying are Amortised Cost.

Financial Liabilities recognised at FVTPL, including derivatives, are subsequently measured at fair value.

1) Compound Financial Instruments

Compound financial instruments issued by the company is an instrument which creates a financial liability on the issuer and which can be converted into fixed number of equity shares at the option of the holders.

Such instruments are initially recognised by separately accounting the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequently.

2) Financial Guarantee Contracts

Financial guarantee contracts are initially recognised as a liability at fair value. The liability is subsequently measured at carrying amount less amortization or amount of loss allowance determined as per impairment requirements of **Ind AS 109**, whichever is higher. Amortisation is recognised as finance income in the Statement of Profit and Loss.

3) De-Recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

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 recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Re-classification of Financial Instruments

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets, such as equity instruments designated at FVTPL or FVTOCI and financial liabilities or financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

(O) Revenue Recognition

(i) Revenue

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

1) Revenue from Construction Contracts

Performance obligation in case of long – term construction contracts is satisfied over a period of time, since the Company creates an asset that the customer controls as the asset is created and the Company has an enforceable right to payment for performance completed to date if it meets the agreed specifications.

The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The percentage of completion method (an input method) is the most faithful depiction of the company's performance because it directly measures the value of the services transferred to the customer.

The total costs of contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under as "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities".

Revenue billings are done based on milestone completion basis or Go-live of project basis. Retention money receivable from project customers does not contain any significant financing element, these are retained for satisfactory performance of contract. In case of long - term construction contracts payment is generally due upon completion of milestone as per terms of contract. In certain contracts, short-term advances are received before the performance obligation is satisfied.

The major component of contract estimate is "budgeted cost to complete the contract" and on assumption that contract price will not reduce vis-à-vis agreement values. While estimating the various assumptions are considered by management such as:

- Work will be executed in the manner expected so that the project is completed timely;
- Consumption norms will remain same;
- Cost escalation comprising of increase in cost to compete the project are considered as a part of budgeted cost to complete the project etc.

Due to technical complexities involved in the budgeting process, contract estimates are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Service Contracts

For service contracts (including maintenance contracts) in which the company has the right to consideration from the customer in an amount that corresponds directly with the value to the customer of the company's performance completed to date, revenue is recognized when services are performed and contractually billable.

Sale of Goods

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer.

Warranty Obligation

The Company provides for contractual obligations to periodically service, repair or rectify any defective work during the defect liability period as well as towards contractual obligations to restore the infrastructure at periodic intervals. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost. The same is reviewed at each balance sheet date and adjustments if any to the carrying amount is provided for accordingly.

Variable Consideration

The nature of the Company’s contracts gives rise to several types of variable consideration, including claims, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The company estimates the amount of revenue to be recognized on variable consideration using the expected value (i.e., the sum of a probability-weighted amount) or the most likely amount method, whichever is expected to better predict the amount.

The Company’s claim for extra work, incentives and escalation in rates relating to execution of contracts are recognized as revenue in the year in which said claims are finally accepted by the customers. Claims under arbitration / disputes are accounted as income based on final award. Expenses on arbitration are accounted as incurred. Claims – are recognised on its approval from customer / authority / court decision or its surety of receipt (not on assessment).

2) <u>Insurance & Other Claims</u>

Revenue in respect of claims is recognized when no significant uncertainty exists with regard to the amount to be realized and the ultimate collection thereof.

(ii) <u>Contract Balances</u>

1) <u>Contract Assets</u>

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.

Contract assets represent revenue recognized in excess of amounts billed and include unbilled receivables. Unbilled receivables, which represent an unconditional right to payment subject only to the passage of time, are reclassified to accounts receivable when they are billed under the terms of the contract.

2) <u>Trade Receivables</u>

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

3) <u>Contract Liabilities</u>

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.

Contract liabilities include unearned revenue which represent amounts billed to clients in excess of revenue recognized to date and advances received from customers. For contracts where progress billing exceeds, the aggregate of contract costs incurred to date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as unearned revenue. Amounts received before the related work is performed are disclosed in the balance sheet as contract liability and termed as advances received from customers.

(P) Interest Income

For all debt instruments measured at amortized 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 instruments or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected estimated cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss. Interest income is included under the head "**Other Income**" in the statement of profit and loss.

Interest income on bank deposits and advances to vendors is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "**Other Income**" in the statement of profit and loss.

(Q) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

(i) Borrowing Cost under Service Concession Arrangements

Borrowing costs attributable to the construction of qualifying assets under service concession arrangement classified as intangible asset, are capitalised to the date of its intended use.

Borrowing costs attributable to concession arrangement classified as financial assets are charged to Statement of Profit and Loss in the period in which such costs are incurred.

(ii) Other borrowing costs are charged to Statement of Profit and Loss in the period in which they are incurred.

(R) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated as at the balance sheet date. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted using a rate that reflects the time value of money. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Other Litigation Claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

Onerous Contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognises impairment on the assets with the contract.

(S) Taxes

Income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate and changes in deferred tax assets and liabilities attributable to temporary differences. The current income tax charge is calculated in accordance with the provisions of the Income Tax Act 1961.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.
Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences and brought forward losses only if it is probable that future taxable profit will be available to realise the temporary differences.

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 recognised in profit or 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.

(T) Employee Benefits

(i) Short-Term obligations

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. These are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post-Employment obligations i.e.

- Defined benefit plans and
- Defined contribution plans

Defined Benefit Plans

The present value of obligation is determined based on actuarial valuation carried out as at the end of each financial year using the Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities, of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

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

Defined Contribution Plans

The Company's contribution to provident fund, employee state insurance scheme, superannuation fund and National Pension Scheme (NPS) are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employee.

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income is divided into revenue from operations and other income. The following table shows our revenue from operations and other income.

(₹ in million, except percentages)

Particulars	As at and for the nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
A. Revenue from operations	3,224.65	4,334.55	3,630.52	3,107.55
A.1 Revenue from construction Contracts				
- Construction contract	3,077.80	3,473.43	3,001.54	2,917.73
Percentage of revenue from operations (% of A)	95.45%	80.13%	82.68%	93.89%
A.2 Other operating revenue				
- Revenue from goods and materials	146.85	861.12	628.98	189.82
Percentage of revenue from operations (A.2 as % of A)	4.55%	19.87%	17.32%	6.11%
B. Other income	29.92	20.05	19.35	12.83
Total income (A+B)	**3,254.57**	**4,354.60**	**3,649.87**	**3,120.38**

Revenue from Operations

Our revenue from operations is primarily generated from (i) construction contracts, which includes revenue from Construction & Infrastructure Projects, and (ii) other sales /sale of goods and materials.

Revenue from construction contracts

Our revenue from construction contracts, which includes revenue from Construction & Infrastructure Projects, primarily consisting of revenue generated from execution of EPC and item-rate/percentage rate basis projects. Our revenue from construction contracts accounted for 95.45%, 80.13%, 82.68% and 93.89% of our revenue from operations for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Revenue from sale of goods and materials

Our revenue from sale of materials primarily consists of sale of materials used in the construction, such as iron and steel. Our revenue from sale (net of return / stock transfer) of accounted for 4.55%, 19.87%, 17.32% and 6.11% of our revenue from operations for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Other Income

Other income includes (i) interest income from bank deposits, (ii) profit on sale of property, plant and equipment, (iii) rebate and discounts, and (iv) insurance claim received. Our other income accounted for 0.93%, 0.46%, 0.53% and 0.41% of our revenue from operations for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Expenses

Our expenses comprise of (i) cost of materials consumed, (ii) construction expenses, (iii) employee benefit expense, (iv) finance cost, (v) depreciation and amortisation expenses and (vi) other expenses.

The following table sets forth our expenditure as a percentage of our revenue from operations for the periodsindicated.

(₹ in million, except percentages)

Particulars	Nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Cost of materials consumed	1,732.51	2,890.76	2,493.17	2,222.44
Percentage of revenue from operations	53.73%	66.69%	68.67%	71.52%
Cost of construction	588.63	671.37	494.80	303.21
Percentage of revenue from operations	18.25%	15.49%	13.63%	9.76%
Employee benefit expenses	212.38	204.33	164.65	208.00
Percentage of revenue from operations	6.59%	4.71%	4.54%	6.69%
Finance cost	223.23	185.97	165.26	138.81
Percentage of revenue from operations	6.92%	4.29%	4.55%	4.47%
Depreciation and amortization expenses	56.52	55.70	35.99	32.80
Percentage of revenue from operations	1.75%	1.29%	0.99%	1.06%
Other expenses	83.01	59.21	58.54	34.79

Particulars	Nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Percentage of revenue from operations	2.57%	1.37%	1.61%	1.12%
Total expenses	**2,896.28**	**4,067.34**	**3,412.41**	**2,940.05**

Cost of materials consumed

Cost of material consumed primarily consists of expenses incurred towards purchase of raw materials, such as iron & steel, cement, bitumen, consumables, aggregates etc. for our Construction & Infrastructure Projects. Cost of materials consumed accounted for 53.73%, 66.69%, 68.67% and 71.52% of our revenue from operations for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively and indicates the difference between the opening and closing inventory, as adjusted for raw materials purchased during the period/ year.

Construction Expenses

Construction Expenses primarily consists of expenses incurred at our project sites towards labour jobwork, labour cess, electricity expenses, diesel expenses, machinery rent, machinery repair & maintenance etc. Cost of construction expenses accounted for 18.25%, 15.49%, 13.63% and 9.76% of our revenue from operations for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Employee benefit expenses

Employee benefits expenses primarily comprises salaries, wages and bonus, directors remuneration, contribution to provident fund and other funds, contribution to ESI, gratuity expense and staff welfare expenses. Employee benefit expenses accounted for 6.59%, 4.71%, 4.54% and 6.69% of our revenue from operations for the for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Finance cost

Finance cost primarily includes interest paid to banks on term loans, working capital facilities and equipment loan,interest on lease liabilities, interest on mobilization advance and bank charges. Finance cost accounted for 6.92%, 4.29%, 4.55% and 4.47% of our revenue from operations for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Depreciation and amortization expenses

Depreciation and amortization expenses include (a) depreciation of tangible assets such as property, plant and equipment, and (b) depreciation on right of use of assets. Depreciation on property, plant and equipment is calculated using the straight line method, over the estimated useful life of each asset as prescribed under Schedule II to the Companies Act, 2013, and as determined by the management.Depreciation and amortization expenses accounted for 1.75%, 1.29%, 0.99% and 1.06% of our revenue from operations for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

Other expenses

Other expenses primarily comprise of payment of fees to auditors, power and electricity expenses, advertisement, business promotion expenses, AMC charges, rent, travelling expenses, telephone expenses, repairs and maintenance expenses, expenses incurred toward corporate social responsibility activities, insurance premium, legal and professional fees, taxes, provision for credit impaired receivables, conveyance, sitting fees to directors, security fees, tour & traveling and other miscellaneous expenses. Other expenses accounted for 2.57%, 1.37%, 1.61% and 1.12% of our revenue from operations for the nine months period ended December 31, 2023 and for the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively.

RESULTS OF OPERATIONS

Nine months period ended December 31, 2023

Total income

Our total income was ₹3,254.57 million in the nine months period ended December 31, 2023.

Revenue from operations

Our total revenue from operations was ₹3,224.65 million in the nine months period ended December 31, 2023.

Revenue from construction contracts

Our revenue from construction contracts was ₹3,077.80 million in the nine months period ended December 31, 2023. This was driven by Construction projects, namely Industrial Building at Panipat, Advanced Neurosciences Centre at PGIMER, All India Institute of Ayurveda at Sarita Vihar, New Delhi, National Institute of Ayurveda at Panchkula, New Medical College at Dausa, and Infrastructure projects, namely, Development/redevelopment of railway stations at Ludhiana, Faridabad, Jalandhar.

Revenue from sale goods and materials

Our revenue from sale of goods and materials was ₹146.85 million (net of returns & stock transfer) in the nine months period ended December 31, 2023, which are primarily on account of sale of residue construction material such as steel, in the open market to third party contractors, traders, etc. on commercially viable terms.

Other income

Our other income was ₹29.92 million in the nine months period ended December 31, 2023.

Expenses

Total expenses was ₹2,896.28 million in the nine months period ended December 31, 2023.

Cost of materials consumed

Cost of materials consumed was ₹1,732.51 million in the nine months period ended December 31, 2023. This was attributable to inventories required for the ongoing Construction & Infrastructure Projects.

Cost of construction

Cost of construction was ₹588.63 million in the nine months period ended December 31, 2023. This was primarily on account of labour job work of ₹405.55 million, diesel expenses of ₹50.05 million, machinery rent of ₹31.36 million, labour cess of ₹30.75 million, electricity expenses of ₹18.70 million, consultancy expense of ₹15.07 million, machinery repair & maintenance of ₹10.40 million and other incidental expenses related to construction activities.

Employee benefit expenses

Employee benefit expenses was ₹212.38 million in the nine months period ended December 31, 2023. This was driven primarily by the increase in salary, wages and bonus on account of increase in average salary per employee by approx. ₹10,000 per month and also on account of addition of new employees. Increase in salary and wages has resulted in increase in contribution towards PF, ESI and other funds and also corresponding increase in staff welfare expenses.

Finance cost

Finance cost was ₹223.23 million in the nine months period ended December 31, 2023, which was primarily driven by interest and bank charges paid to banks & financial institutions on term loans, working capital facilities and equipment loan. Bank charges for the nine months period ended December 31, 2023 was ₹57.07 million mainly on account of bank guarantee charges, processing fees etc. The interest expenses was higher on account of increase in overall borrowings by ₹532.16 million from the Fiscal 2023.

Depreciation and amortization expenses

Depreciation and amortization expenses was ₹56.52 million in the nine months period ended December 31, 2023. This was attributable to the depreciation on property, plant and equipment mainly on account of purchase of new plant & machinery amounting to ₹93.75 million.

Other expenses

Other expenses were ₹83.01 million in the nine months period ended December 31, 2023. This is primarily on account of (i) insurance expenses of ₹16.67 million, (ii) rent of ₹15.53 million, (iii) fee and taxes of ₹5.47 million (iv) tour & travelling expenses of ₹3.76 million (v) allowances for expected credit loss of ₹9.02 million (vi) security expenses of ₹3.23 million and other incidental expenses related to business of the Company.

Profit before tax

Our profit before tax was ₹358.29 million in the nine months period ended December 31, 2023.

Tax expenses

Our tax expenses were ₹92.39 million in the nine months period ended December 31, 2023. This mainly includes current tax expense of ₹96.16 million and deferred tax expense of ₹(4.45) million.

Profit for the period

We recorded a profit of ₹265.90 million in the nine months period ended December 31, 2023.

Fiscal 2023 compared with Fiscal 2022

Total income

Our total income increased by ₹704.73 million or by 19.31% from ₹3,649.87 million in the Fiscal 2022 to ₹4,354.60 million in the Fiscal 2023. This was primarily due to increase in our revenue from operations.

Revenue from operations

Our revenue from operations increased by ₹704.03 million or by 19.39% from ₹3,630.52 million in the Fiscal 2022 to ₹4,334.55 million in the Fiscal 2023. This increase was primarily driven by ₹471.89 million increase in revenue from construction contracts and ₹232.14 million increase in revenue from sale of goods and materials.

Revenue from construction contracts

Our revenue from construction contracts increased by ₹471.89 million or by 15.72% from ₹3,001.54 million in the Fiscal 2022 to ₹3,473.43 million in the Fiscal 2023. This increase in revenue from construction contracts was primarily on account of revenue from one (1) new Construction project namely Industrial Building at IOCL, Panipat and also due to significant work completed on Advanced Neurosciences Centre at PGIMER, Chandigarh and National Institute of Ayurveda, Panchkula projects.

Revenue from sale of goods and materials

Our revenue from goods and materials increased significantly by ₹232.14 million or by 36.91% from ₹628.98 million in the Fiscal 2022 to ₹861.12 million in the Fiscal 2023. This was primarily on account of sale of residue construction material such as steel, in the open market to third party contractors, traders, etc. on commercially viable terms.

Other income

Our other income increased by ₹0.70 million or by 3.62% from ₹19.35 million in the Fiscal 2022 to ₹20.05 million in the Fiscal 2023. This increase was primarily driven by returns from interest income on bank deposits and insurance claims received.

Expenses

Total expenses increased significantly by ₹654.93 million or by 19.19% from ₹3,412.41 million in the Fiscal 2022 to ₹4,067.34 million in the Fiscal 2023. This was primarily driven by ₹397.59 million or 15.95% increase in cost of material consumed, ₹176.57 million or 35.69% increase in construction expenses, ₹39.68 million or 24.10% increase in employee benefit expense and ₹20.71 million or 12.53% increase in finance cost.

Cost of materials consumed

Cost of material consumed increased by ₹397.59 million or by 15.95% from ₹2,493.17 million in the Fiscal 2022 to ₹2,890.76 million in the Fiscal 2023 due to purchase of raw materials, such as steel, cement and aggregate, for the purpose of construction of our ongoing Construction projects, namely Industrial Building at IOCL, Panipat, Advanced Neurosciences Centre at PGIMER, All India Institute of Ayurveda at Sarita Vihar, New Delhi, National Institute of Ayurveda at Panchkula, New Medical College at Dausa, Geriatrics Blocks in AIIMS Campus, New Delhi, New International Cricket Stadium, New Chandigarh, Centre for Interfaith Studies in Guru Nanak Dev University, Amritsar, etc. and Infrastructure projects, namely, Project at Jalandhar Cantt. Station, Jalandhar Cantt., Flyover with Underpass and Service Roads at Atul Kataria Chowk, Gurugram, Two lane ROB at Pathankot, etc.

As a percentage of our revenue from operations, our cost of materials consumed accounted for 66.69% in theFiscal 2023 compared to 68.67% in the Fiscal 2022.

Construction expense

Cost of construction expenses increased significantly by ₹176.57 million or by 35.69% from ₹494.80 million in the Fiscal 2022 to ₹ 671.37 million in the Fiscal 2023. This increase was attributable due to increase of construction expenditure on account of allotment of new Construction Project at Industrial Building at IOCL, Panipat, and increase in pace of work done at ongoing projects at Advanced Neurosciences Centre at PGIMER, Chandigarh and National Institute of Ayurveda, Panchkula. As a result of increase in number of ongoing project in the Fiscal 2023 (i) installation charges increased by ₹21.62 million, (ii) labour job work increased by ₹159.81 million, (iii) machinery rent increased by ₹4.29 million, (iv) testing expenses increased by ₹2.57 million, (v) consultancy expense increased by ₹0.61 million. This was partially off-set by reduction in (i) freight & cartage by ₹11.24 million and (ii) labour cess by ₹5.21 million. As a percentage of our revenue from operations, our cost of construction accounted for 15.49% in the Fiscal 2023 compared to 13.63% in the Fiscal 2022.

Employee benefit expenses

Employee benefit expenses increased by ₹39.68 million or by 24.10% from ₹164.65 million in the Fiscal 2022 to ₹204.33 million in the Fiscal 2023. This was primarily on account of appointment of new employees at ongoing project sites. As a percentage of our revenue from operations, employee benefit expenses accounted for 4.71% in the Fiscal 2023 compared to 4.54%in the Fiscal 2022.

Finance cost

Finance cost increased by ₹20.71 million or by 12.53% from ₹165.26 million in the Fiscal 2022 to ₹185.97 million in the Fiscal 2023. The increase was primarily on account of (i) increase in interest paid on borrowings, i.e., term loans from HDFC Bank Limited, Axis Bank Limited, Kotak Mahindra Bank Limited, IDFC First Bank Limited and working capital facilities from Punjab National Bank Limited and HDFC Bank Limited and equipment loan primarily from HDFC Bank and interest paid on mobilisation advance taken for execution of projects by ₹9.96 million and (ii) increase in charges on bank guarantee, processing fees and other incidental charges by ₹10.75 million due to increase in the number of new projects. As a percentage of our revenue from operations, finance cost accounted for 4.29% in the Fiscal 2023 compared to 4.55% in the Fiscal 2022.

Depreciation and amortization expenses

Our depreciation and amortization expenses increased by ₹19.71 million or by 54.77% from ₹35.99 million in the Fiscal 2022 to ₹55.70 million in the Fiscal 2023. This increase was primarily due to purchase of plant & machinery amounting to ₹93.63 million. As a percentage of our revenue from operations, depreciation and amortization expenses accounted for 1.29% in the Fiscal 2023 compared to 0.99% in the Fiscal 2022.

Other expenses

Other expenses increased by ₹0.67 million or by 1.14% from ₹58.54 million in the Fiscal 2022 to ₹59.21 million in the Fiscal 2023. This increase was primarily on account of (i) increase in tour & travelling expenses (domestic) by ₹2.25 million, (ii) rebate & discount by ₹4.45 million, (iii) insurance charges by ₹3.34 million, (iv) loss on sale of fixed assets by ₹2.19 million, (v) legal & professional charges by ₹1.07 million, (vi) security expense by 1.20 million. The increase in expense was partially off-set by reduction in (i) Allowances for Expected Credit Loss by ₹5.28 million as the same was incremental in Fiscal 2023 as compared to Fiscal 2022 wherein the provision was created on account of first time adoption of Ind-AS; (ii) fees and taxes by ₹1.38 million, (iii) late fees paid by ₹0.27 million, (iv) rent by ₹2.85 million and (v) repairs & maintenance others by ₹1.38 million. As a percentage of our revenue from operations, other expenses accounted for 1.37% in the Fiscal 2023 compared to 1.61% in the Fiscal 2022.

Profit before tax

In light of the above discussions, our profit before tax increased by ₹49.80 million or by 20.97% from ₹237.46 million in the Fiscal 2022 to ₹287.26 million in the Fiscal 2023.

Tax expenses

Our tax expenses increased by ₹12.49 million from ₹60.82 million in the Fiscal 2022 to ₹73.31 million in the Fiscal 2023 on account of increase in current tax by ₹15.64 million and reversal of deferred tax liability by ₹3.15 million.

Profit for the year

For the various reasons discussed above, and following adjustments for tax expense, we recorded a significant increase in our profit for the year by ₹37.31 million or by 21.12% from ₹176.64 million in the Fiscal 2022 to ₹213.95 million in the Fiscal 2023.

Fiscal 2022 compared with Fiscal 2021

Total income

Our total income increased by ₹529.49 million or by 16.97% from ₹3,120.38 million in the Fiscal 2021 to ₹3,649.87 million in the Fiscal 2022. This was primarily due to increase in our revenue from operations.

Revenue from operations

Our revenue from operations increased by ₹522.97 million or by 16.83% from ₹3,107.55 million in the Fiscal2021 to ₹3,630.52 million in the Fiscal 2022. This increase was primarily driven by ₹83.81 million increase in revenue from construction contracts and ₹439.16 million increase in revenue from sale of goods and materials.

Revenue from construction contracts

Our revenue from construction contracts increased by ₹83.81 million or by 2.87% from ₹2,917.73 million in the Fiscal 2021 to ₹3,001.54 million in the Fiscal 2022. The revenue has increased marginally on account of ongoing projects, based on the percentage of completion.

Revenue from goods and materials

Our revenue from goods and materials increased by ₹439.16 million or by 231.36% from ₹189.82 million in the Fiscal 2021 to ₹628.98 million in the Fiscal 2022. This was primarily on account of sale of residue construction material such as steel, in the open market to third party contractors, traders, etc. on commercially viable terms.

Other income

Our other income increased by ₹6.52 million or by 50.82% from ₹12.83 million in the Fiscal 2021 to ₹19.35 million in the Fiscal 2022. This increase was primarily on account of rebate & discounts provided by suppliers on purchase of equipment of ₹5.69 million as against ₹0.06 million in Fiscal 2021.

Expenses

Total expenses increased by ₹472.36 million or by 16.07% from ₹2,940.05 million in the Fiscal 2021 to ₹3,412.41 million in the Fiscal 2022. This was primarily driven by ₹270.73 million or 12.18% increase in cost of materials consumed, ₹ 191.59 million or 63.19% increase in construction expenses, ₹26.45 million or 19.05% increase in finance cost and ₹ 23.75 million or 68.27% increase in cost of other expenses.

Cost of materials consumed

Cost of material consumed increased by ₹270.73 million or by 12.18% from ₹2,222.44 million in the Fiscal 2021 to ₹2,493.17 million in the Fiscal 2022. This increase in cost is on account of bulk purchase for the ongoing and allotment of new Construction & Infrastructure Projects awarded to the company. As a percentage of our revenue from operations, our cost of materials consumed accounted for 68.67% in the Fiscal 2022 compared to 71.52% in the Fiscal 2021.

Construction expenses

Construction expenses increased by ₹191.59 million or by 63.19% from ₹303.21 million in the Fiscal 2021 to ₹494.80 million in the Fiscal 2022. This increase was attributable to the Ongoing Projects and further allotment of new projects for Construction of National Institute of Ayurveda, Panchkula, Haryana, New medical College at Dausa, Centre for Interfaith Studies in Guru Nanak Dev University.

As a result of increase in number of ongoing projects in the Fiscal 2022 (i) freight and cartage charges for theprojects increased by ₹5.99 million or by 45% from the Fiscal 2021 to the Fiscal 2022, (ii) amenities expenses deducted by department by ₹ 4.76 million or by 151.11% from the Fiscal 2021 to the Fiscal 2022, (iii) culture cess increased by ₹ 5.97 million or by 195.74% from the Fiscal 2021 to the Fiscal 2022, (iv) diesel expense increased by ₹11.34 million or by 27.50% from the Fiscal 2021 to the Fiscal 2022, (iv) labour job work charges increased by ₹ 136.83 million or by 79.79% from the Fiscal 2021 to the Fiscal 2022, (v) machinery rent increased by ₹ 8.77 million or by 144.24% from the Fiscal 2021 to the Fiscal 2022 and (vi) quality cess deducted by department increased by ₹ 5.75 million from the Fiscal 2021 to the Fiscal 2022.

Employee benefit expenses

Employee benefit expenses decreased by ₹43.35 million or by -20.84% from ₹208.00 million in the Fiscal 2021to ₹ 164.65 million in the Fiscal 2022. As a percentage of our revenue from operations, employee benefit expenses accounted for 4.54% in the Fiscal 2022 compared to 6.69% in the Fiscal 2021.

Finance cost

Finance cost increased by ₹ 26.45 million or by 19.05% from ₹ 138.81 million in the Fiscal 2021 to ₹165.26 million in the Fiscal 2022. This increase was primarily on account of increase in interest paid on working capitalfacilities, equipment loans, vehicle loans etc. availed for the purpose of execution of ongoing and new projects. As a percentage of our revenue from operations, finance cost accounted for 4.55% in the Fiscal 2022 compared to 4.47% in the Fiscal 2021.

Depreciation and amortization expenses

Our depreciation and amortization expenses increased marginally by ₹3.19 million or by 9.73% from ₹ 32.80 million in the Fiscal 2021 to ₹ 35.99 million in the Fiscal 2022. This increase was primarily due to depreciation on account of purchase of property, plant & equipment by ₹51.86 million by our Company. As a percentage of our revenue from operations, depreciation and amortization expenses accounted for 0.99% in the Fiscal 2022 compared to 1.06% in the Fiscal 2021.

Other expenses

Other expenses increased by ₹23.75 million or by 68.27% from ₹34.79 million in the Fiscal 2021 to ₹58.54 million in the Fiscal 2022. This increase was primarily on account of (i) increase in tour & travelling expenses (domestic) by ₹0.77 million, (ii) insurance charges by ₹3.48 million, (iii) legal & professional charges by ₹0.86 million, (iv) security expense by ₹0.83 million, (v) rent by ₹3.19 million, (vi) fee & taxes by ₹1.99 million, (vii) festival expenses by ₹1.57 million and (viii) allowance for expected credit loss by ₹6.30 million. As a percentage of our revenue from operations, other expenses accounted for 1.61% in the Fiscal 2022 compared to 1.12% in the Fiscal 2021.

Profit before tax

In light of the above discussions, our profit before tax increased by ₹57.13 million or by 31.68% from ₹180.33 million in the Fiscal 2021 to ₹237.46 million in the Fiscal 2022.

Tax expenses

Our tax expenses increased by ₹9.77 million from ₹51.05 million in the Fiscal 2021 to ₹ 60.82 million in the Fiscal 2022 on account of increase in current tax by ₹15.40 million and decrease in deferred tax expense by ₹5.63 million on account of adjustments related to previous years in Fiscal 2021.

Profit for the year

For the various reasons discussed above, and following adjustments for tax expense, we recorded an increase in our profit for the year by ₹47.36 million or by 36.63% from ₹129.28 million in the Fiscal 2021 to ₹176.64 million in the Fiscal 2022.

CASH FLOWS

The following table sets forth certain information relating to our cash flows in nine months period ended December 31,2023 and for Fiscal 2023, Fiscal 2022 and Fiscal 2021.

(₹ in million)

Particulars	Nine months period ended December 31, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Net cash flow generated from/ (used in) operating activities	(251.05)	128.82	6.01	58.87
Net cash flow generated from/ (used in) investing activities	(85.74)	(131.03)	(51.86)	(33.92)
Net cash flow generated from/ (used in) financing activities	366.79	31.53	0.40	15.30
Net increase/ (decrease) In cash and bank balances	30.00	29.32	(45.45)	40.25
Cash and bank balances at the beginning of the year / period	31.70	2.38	47.83	7.58
Cash and bank balancesat the end of the year/ period	61.70	31.70	2.38	47.83

Net cash generated from/ used in operating activities

Nine months period ended December 31, 2023

Net cash used in operating activities in nine months period ended December 31, 2023 was ₹251.05 million and our operating profit before working capital changes was ₹586.86 million. The difference was primarily attributable to decrease in trade receivables of ₹296.84 million, increase in inventories of ₹342.52 million, increase in other assets of ₹201.31 million, increase in other financial assets of ₹122.77 million, decrease in trade payable of ₹110.40 million, decrease in other liabilities of ₹288.14 million, increase in other financial liabilities of ₹14.26 million and increase in provision of ₹6.64 million. We paid income tax of ₹90.51 million.

Fiscal 2023

Net cash generated from operating activities in Fiscal 2023 was ₹128.82 million and our operating profit before workingcapital changes was ₹484.55 million. The difference was primarily attributable to increase in trade receivables of ₹17.08 million, increase in inventories of ₹1,008.88 million, increase in other assets of ₹13.82, increase in other financial assets of ₹204.13 million, this was partially off set by increase in trade payable of ₹348.83 million, increase in other liabilities of ₹565.76 million, increase in other financial liabilities of ₹43.09 million and increase in provision of ₹2.62 million. We paid income tax of ₹72.12 million.

Fiscal 2022

Net cash generated from operating activities in Fiscal 2022 was ₹ 6.01 million and our operating profit before working capital changes was ₹407.50 million. The difference was primarily attributable to decrease in trade receivables of ₹119.35 million, increase in inventories of ₹444.87 million, increase in other assets of ₹321.11, increase in other financial assets of ₹174.38, this was partially off-set by increase in trade payable of ₹182.15 million, increase in other liabilities of ₹305.98 million, increase in other financial liabilities of ₹8.04 million and increase in provision of ₹1.75 million. We paid income tax of ₹78.40 million.

Fiscal 2021

Net cash generated from operating activities in Fiscal 2021 was ₹58.87 million and our operating profit beforeworking capital changes was ₹279.81 million. The difference was primarily attributable to increase in trade receivables of ₹ 520.99 million, decrease in inventories of ₹442.11 million, increase in other assets of ₹16.09, decrease in other financial assets of ₹37.71, increase in trade payable of ₹94.36 million, decrease in other liabilities of ₹238.37 million, increase in other financial liabilities of ₹31.89 million. We paid income tax of ₹51.56 million.

Net cash generated used in investing activities

Nine months period ended December 31, 2023

Net cash used in investing activities in nine months period ended December 31, 2023 was ₹85.74 million. This reflected payment of ₹109.34 million towards purchase of plant, property and equipment. This was partially offset by sale proceeds of plant, property and equipment of ₹23.60 million.

Fiscal 2023

Net cash used in investing activities in Fiscal 2023 was ₹131.03 million. This reflected payment of ₹ 134.42 million towards purchase of plant, property and equipment. This was partially offset by sale proceeds of plant, property and equipment of ₹3.39 million.

Fiscal 2022

Net cash used in investing activities in Fiscal 2022 was ₹51.86 million. This reflected payment of ₹51.86 million towards purchase of plant, property and equipment.

Fiscal 2021

Net cash used in investing activities in Fiscal 2021 was ₹33.92 million. This reflected payment of ₹35.12 million towards purchase of plant, property and equipment. This was partially offset by sale proceeds of plant, property and equipment of ₹1.20 million.

Net cash generated from/ used in financing activities

Nine months period ended December 31, 2023

Net cash generated from financing activities in nine months period ended December 31, 2023 was ₹366.79 million. This reflected net increase in short term borrowing of ₹295.67 million, increase in long term borrowing (net) of ₹236.49 million, interest paid of ₹163.21 million and lease liability paid of ₹2.16 million.

Fiscal 2023

Net cash generated from financing activities in Fiscal 2023 was ₹31.53 million. This reflected net increase in short term borrowing of ₹56.51 million, increase in long term borrowing (net) of ₹112.73 million and interest paid of ₹137.71 million.

Fiscal 2022

Net cash generated from financing activities in Fiscal 2022 was ₹0.40 million. This reflected net decrease in short term borrowing of ₹23.56 million, increase in long term borrowing (net) of ₹151.71 million and interest paid of ₹127.75 million.

Fiscal 2021

Net cash used in financing activities in Fiscal 2021 was ₹15.30 million. This reflected net decrease in short term borrowing of ₹19.41 million, increase in long term borrowing (net) of ₹134.88 million and interest paid of ₹100.17 million.

LIQUIDITY AND CAPITAL RESOURCES

Our primary sources of liquidity include cash generated from operations, from borrowings, both short-term and long-term, including cash credit, term loans and working capital facilities. We evaluate our funding requirementsregularly in light of cash flows from our operating activities, the requirements of our business and operations andmarket conditions. Our main uses of funds from operating activities have been to pay for our working capital requirements and capital expenditure. To the extent we do not generate sufficient cash flow from operating activities, we may rely on debt or equity financing activities, subject to market conditions.

Our Company had closing cash and cash equivalents of ₹61.70 million, ₹31.70 million, ₹2.38 million and ₹47.83 million as of nine months period ended December 31, 2023, and for years ended March 31, 2023, March 31, 2022, and March 31, 2021, respectively. Our Company had ₹745.41 million, ₹331.78 million, ₹314.97 million and ₹257.35 million non-current borrowings as of nine months period ended December 31, 2023, and for years ended March 31, 2023, March 31, 2022, and March 31, 2021, respectively. Our Company had ₹752.47 million, ₹633.94 million, ₹481.51 million and ₹410.98 million current borrowings as of nine months period ended December 31, 2023, and for years ended March 31, 2023, March 31, 2022, and March 31, 2021, respectively.

For further information, see "***Restated Financial Information***" on page 236.

CONTINGENT LIABILITIES AND COMMITMENTS

The following is a summary table of our contingent liabilities as per Ind AS 37 as on December 31, 2023, as indicated in our Restated Financial Information.

(in ₹ million)

S. No.	Particulars	As on December 31, 2023
1.	Demands raised by Income Tax Authorities	8.60
2.	Guarantees issued by the bank on Company's behalf	2,654.36

For further information on our contingent liabilities and commitments, see "***Restated Financial Information – Notes to the Restated Financial Information – Note 36 – Contingent Liabilities***" on page 296.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or which we believe reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenue or expenses, operatingresults, liquidity, capital expenditure or capital resources.

RELATED PARTY TRANSACTIONS

We enter into various related parties in the ordinary course of business including purchase and sale of construction material, managerial remuneration and rental expenses. For further information relating to our related party transactions,see "***Restated Financial Information – Notes to the Restated Financial Information – Note 38 – Related Party Transactions***" on page 296.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT 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. The sensitivity analysis in the following sections relate to the position as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities.

Price risk

The Company's exposure to price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to our Company. Our Company is only dealing with government authorities which results in mitigating the risk of financial loss from defaults. Financial instruments that are subject to concentration of credit risk, principally consist of balance with banks, investments in bonds, trade receivables and loans and advances. Financial assets are written off when there is no reasonable expectation of recovery. Our Company measures the expected credit loss of trade receivables based on historical trend, industry practices and the business environment in which we operate. Loss rates are based on actual credit loss experience and past trends.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). The Company transacts business in local currency only. The Company does not have foreign currency trade payables and receivables and is therefore, not exposed to foreign exchange risk. The Company need not to use currency swaps or forward contracts towards hedging risk resulting from changes and fluctuations in foreign currency exchange rate as per the risk management policy.

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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt and short term debt obligations with floating interest rates. The company is carrying its borrowings primarily at variable rates. For floating rates borrowings the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point Increase or decrease is used when reporting interest rate risk internally to Key management personnel and represents management's assessment of the reasonably possible change in interest rates. For further details, see "***Restated Financial Information***" on page 262.

UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, toour knowledge, may be described as "unusual" or "infrequent".

SIGNIFICANT DEPENDENCE ON A SINGLE OR FEW CUSTOMERS OR SUPPLIERS

Our business is primarily dependent on contracts awarded by government, semi-government and government controlled entities. We currently derive the majority of our revenue from contracts entered into with government, semi-government and government controlled entities. For further information see, "***Risk Factors –. Our revenue is majorly concentrated from projects undertaken or awarded by government, semi-government and government-controlled entities. Any adverse changes in the government policies may lead to our contracts being foreclosed, terminated, restructured or renegotiated, which may have a material effect on our business and results of operations.***" on page 37.

TOTAL TURNOVER OF EACH MAJOR INDUSTRY SEGMENT

Our Company is primarily engaged in the business of civil construction and there are no other primary reportablesegments. The chief operating decision maker monitors the operating results of the business as a single segment.For further information, see "***Restated Financial Information***" on page 262.

SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECTED OR ARE LIKELY TOAFFECT INCOME FROM OPERATIONS

Other than as described in this section and in "***Our Business***", "***Risk Factors***", and "***Industry Overview***" on pages 200, 36 and 133, respectively, there have been no significant economic changes that materially affected or are likely to affect our Company's income from operations.

KNOWN TRENDS OR UNCERTAINTIES THAT HAVE HAD OR ARE EXPECTED TO HAVE A MATERIAL ADVERSE IMPACT ON SALES, REVENUE OR INCOME FROM CONTINUING OPERATIONS

Other than as described in this section and the section titled "***Our Business***" on page 200, to our knowledge, thereare no known trends or uncertainties that have had or are expected to have a material adverse impact on our revenues or income.

FUTURE CHANGES IN RELATIONSHIP BETWEEN COST AND REVENUE

Other than as described in this section and the sections of this Draft Red Herring Prospectus titled "***Our Business***",and "***Risk Factors***" on pages 200 and 36, respectively, to our knowledge there are no known factors that may adversely affect our business prospects, results of operations and financial condition.

MATERIAL INCREASES IN NET INCOME AND SALES

Material increases in our Company's net income and sales are primarily due to the reasons described in the sectiontitled "***– Results of Operations***" above on page 262.

NEW PRODUCTS OR BUSINESS SEGMENTS

Other than as disclosed in this chapter and in "***Our Business***" on page 200, there are no new products or businesssegments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

COMPETITIVE CONDITIONS

We operate in a competitive environment. For further information, see "***Our Business – Competition***", "***IndustryOverview***" and "***Risk Factors***" on pages 221, 133 and 36, respectively.

SEASONALITY OF BUSINESS

There is no seasonality in our business.

MATERIAL DEVELOPMENTS SUBSEQUENT TO NINE MONTHS PERIOD ENDED DECEMBER 31, 2023 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as disclosed below and elsewhere in this Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, which materially and adversely affect or are likely to affect our operations or profitability, or the valueof our assets or our ability to pay our material liabilities within the next 12 months:

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

The fourth paragraph appearing under the section "***Outstanding Litigation and Material Developments***" on page 343, the headings "***Outstanding dues to creditors***" and "***Material Developments***" on page 350 of the Draft Red Herring Prospectus shall stand deleted and replaced by the extracts below. Further, the heading "***Litigation involving our Promoters***" on page 348 shall be updated as set out below:

Litigation involving our Promoters

Litigation filed against our Promoters

Criminal proceedings

FIR bearing number 09 of 2024

An FIR bearing number 09 of 2024 has been filed by the Deputy Superintendent of Police, Vigilence Bureau Unit, Jalandhar against Barjinder Singh Hamdard, Ex. Member Secretary, President of Jang-E-Azadi Kartarpur, Vinay Bublani, IAS, Ex. CEO Jang-E-Azadi, Kartarpur, Deepak Kumar Singal, Sunny Jain, Project Manager, Godrej & Boyce Manufacturing Company Limited and others (including various government employees) before the vigilance bureau, Jalandhar under section 154 of the Code of Criminal Procedure, 1973 for offenses committed under section offence under sections 420, 406, 409, 465, 467, 468, 471, 120-B of the Indian Penal Code, 1860 and under sections 13(1) A and 13(2) of the Prevention of Corruption Act, 1988. The Punjab Government proposed to make a memorial depicting the role of Punjabi's in India's freedom struggle and independence from the time of Maharaja Ranjit Singh till India's independence in the year 1947 and sanctioned an amount of ₹315 crores to complete the Jang-E-Azadi project and allotted 25 acres of prime land located at National Highways, Kartarpur District, Jalandhar for the same. It is alleged that Barjinder Singh Hamdard and Vinay Bublani conspired with Deepak Kumar Singal and another to reap wrongful gains by issuing more funds by way of approving inflated quotations of steel presented by M/s Deepak Builders (the firm's business was later on subsumed by Deepak Builders & Engineers India Limited, hereinafter referred to as the "**Company**") resulting in a wrongful gain of ₹3 crores to M/s Deepak Builders resulting in a loss to the Punjab Government. Deepak Kumar Singal was arrested on the May 22, 2024 and as on date has been sent to judicial custody. Deepak Kumar Singal has filed a writ petition bearing number 5005 of 2024 against the State of Punjab and Senior Superintendent of Police, Punjab Vigilence Bureau, Jalandhar Range, under Article 226/227 of the Constitution of India for illegal arrest and infringement of life and liberty. The Hon'ble High Court of Punjab and Haryana, vide its interim-order dated May 28, 2024 permitted Deepak Kumar Singal to file a regular bail application before the Hon'ble High Court of Punjab and Haryana and the State was disallowed from raising any objections. The matter is presently pending.

For details, please see "***Litigation filed by our Promoters - Criminal proceedings - Deepak Kumar Singal vs. State of Punjab and another - 5005 of 2024***" and "***Litigation filed by our Company - Material civil proceedings - Deepak Builders and Engineers India Limited vs. Punjab Freedom Movement Memorial Foundation and Others - FAO-CARB-29-2023, CM-94-FCARB-2023, CM-95-FCARB-2023 and CM-96-FCARB-2023***".

Litigation filed by our Promoters

Criminal proceedings

Deepak Kumar Singal vs. State of Punjab and another - 5005 of 2024

Deepak Kumar Singal has filed a writ petition bearing number 5005 of 2024 before the Hon'ble High Court of Punjab and Haryana, against the State of Punjab and Senior Superintendent of Police, Punjab Vigilence Bureau, Jalandhar Range under Article 226/227 of the Constitution of India for illegal arrest and infringement of life and liberty. M/s Deepak Builders (the firm's business was later on subsumed by Deepak Builders & Engineers India Limited, hereinafter referred to as the "**Company**") was allotted the project of "Jang-E-Azadi" memorial, Kartarpur, Punjab on March 16, 2015 (the "**Project**"). The Project was completed on January 31, 2018 and a final bill amount to the tune of ₹2,029.53 million was raised for the completion of the Project. Thereafter, the Company raised various claims on account of non-payment for extra cost incurred on the Project against the Punjab Freedom Movement Memorial Foundation ("**PFMMF**") which was responsible for looking after the construction of the Project. The Company entered into arbitration proceedings for the same and an award amounting to ₹256.44 million was awarded to the Company vide arbitral award dated December 23, 2019 (the "**Award**"). The Award was subsequently challenged by the PFMMF before the Hon'ble Ld. Additional District Judge, Chandigarh and was set aside. The Company has filed a First Appeal from Order (Commercial Arbitration) bearing no. FAO-CARB-29-2023, along with CM-94-FCARB-2023, CM-95-FCARB-2023 and CM-96-FCARB-2023 before the High Court of Punjab and Haryana against the judgment dated March 9, 2023, passed in ARB/406/2020 by the Court of Anshu Shukla, Additional District Judge/Commercial Court, Chandigarh, and the same is sub-judice. Thereafter, Deepak Kumar Singal was in receipt of various questionnaires corresponding to the ongoing investigation into the Project and Deepak Kumar Singal duly co-operated with the process. However, Deepak Kumar Single was apprehended by the Punjab Vigilence Bureau on May 22, 2024. Deepak Kumar Singal was not supplied with any grounds of arrest or explanation and neither with a copy of the FIR bearing number 09 of 2024. Subsequently, Deepak Kumar Singal was sent to judicial custody. Hence, the current appeal has been preferred before the before the Hon'ble High Court of Punjab and Haryana. The Hon'ble High Court of Punjab and Haryana, vide its interim-order dated May 28, 2024 permitted Deepak Kumar Singal to file a regular bail application before the Hon'ble High Court of Punjab and Haryana and the State was disallowed from raising any objections. The matter is presently pending and shall be listed on May 31, 2024.

For details, please see "***Litigation filed against our Promoters - Criminal proceedings - FIR bearing number 09 of 2024***" and "***Litigation filed by our Company - Material civil proceedings - Deepak Builders and Engineers India Limited vs. Punjab Freedom Movement Memorial Foundation and Others -FAO-CARB-29-2023, CM-94-FCARB-2023, CM-95-FCARB-2023 and CM-96-FCARB-2023***".

Tax proceedings

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (*in ₹ millions*)
Direct Tax	11*	57.90
Indirect Tax	-	-
Total	**11***	**57.90**

**Inclusive of: (i) outstanding tax demand under section 143(3) of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2010 amounting to ₹0.28 million; (ii) outstanding tax demand under section 154 of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2019 amounting to ₹0.08 million; (iii) outstanding tax demand under section 250 of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2012 amounting to ₹0.01 million; (iv) outstanding tax demand under section 153A of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2010 amounting to ₹0.44 million; (v) outstanding tax demand under section 154 of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2018 amounting to ₹0.02 million; (vi) outstanding tax demand under section 143(3) of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2017 amounting to ₹0.004 million; (vii) outstanding tax demand under section 147 of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2011 amounting to ₹0.10 million; (viii) outstanding tax demand under section 271(1)© of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2011 amounting to ₹0.03 million; (ix) outstanding tax demand under section 1431a of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2010 amounting to ₹4.82 million; (x) outstanding tax demand under section 271(1)(c) of the Income Tax Act against Deepak Kumar Singal for the Fiscal 2008 amounting to ₹0.01 million; and (xi) outstanding tax demand under section 154 of the Income Tax Act against Sunita Singal for the Fiscal 2017 amounting to ₹0.001 million.*

Outstanding dues to creditors

As per the Restated Financial Statements, 5% of our trade payables as at December 31, 2023, was ₹53.10 million and accordingly, creditors to whom outstanding dues exceed

₹53.10 million have been considered as material creditors for the purposes of disclosure in this Draft Red Herring Prospectus.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), and other creditors, as at December 31, 2023, by our Company, are set out below:

S. No.	Type of creditor	No. of creditors	Amount outstanding (₹ in Million)
1.	Dues to micro, small and medium enterprises	20	437.17
2.	Dues to other creditors	585	624.80
3.	**Total**	**605**	**1,061.97**

Based on this criterion, details of outstanding dues (trade payables) owed to Material Creditors, as at December 31, 2023, by our Company, are set out below:

S. No.	Type of Creditor	No. of creditors	Amount outstanding (₹ in Million)
1.	Material Creditors	3	275.04

As certified by our Statutory Auditor M/s Parmod G Gupta & Associates, Chartered Accountants by way of their certificate dated May 24, 2024

The details pertaining to net outstanding dues towards our material creditors as on December 31, 2023 (along with the names and amounts involved for each such material creditor) are available on the website of our Company at www.deepakbuilders.co.in.

Material Developments

Other than as stated in the section entitled "***Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after December 31, 2023***" on page 264, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

Deepak Kumar Singal
Chairman cum Managing Director
DIN:

Date: May 29, 2024
Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SD/-

Sunita Singal
Whole-time Director
DIN: 01534585

Date: May 29, 2024
Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SD/-

Inder Dev Singh
Independent Director
DIN: 06662559

Date: May 29, 2024
Place: Chandigarh

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SD/-

Kashish Mittal
Independent Director
DIN: 06975800

Date: May 29, 2024
Place: Punjab

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SD/-

Vinod Kumar Kathuria
Independent Director
DIN: 06662559

Date: May 29, 2024
Place: Mumbai

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules or guidelines or regulations issued by the Government of India and the rules or guidelines or regulations issued by the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act 1956, the Securities Contracts (Regulation) Rules, 1957, Securities and Exchange Board of India Act, 1992 or the rules framed or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SD/-

Rishabh Gupta
Chief Financial Officer

Date: May 29, 2024
Place: Punjab