



To
The Members of
MAHATHI INFRA SERVICES (P) LIMITED
Hyderabad

I. Report on the Audit of the Financial Statements

1 Opinion

A We have audited the accompanying Financial Statements of MAHATHI INFRA SERVICES
A PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the
Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date, and a
summary of the significant accounting policies and other explanatory information (hereinafter referred to
as "the Financial Statements").

B In our opinion and to the best of our information and according to the explanations given to us, the
B aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in
the manner so required and give a true and fair view in conformity with the Accounting Standards
prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006,
as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of
the Company as at March 31, 2023, the Profit and its cash flows for the year ended on that date.

2. Basis for Opinion

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

3. Information - Board of Directors' Report

A The Company's Board of Directors is responsible for the preparation and presentation of its report (herein
A after called as "Board Report") which comprises various information required under section 134(3) of the
Companies Act 2013 but does not include the financial statements and our auditor's report thereon.

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

B In connection with our audit of the financial statements, our responsibility is to read the Board Report and
B in doing so, consider whether the Board Report is materially inconsistent with the financial statements or
our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this Board
Report, we are required to report that fact. We have nothing to report in this regard





4. Management's Responsibility for the Financial Statements

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

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

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

5. Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

(iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management





(iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern

(v) Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation

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

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

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

II. Report on Other Legal and Regulatory Requirements

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

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

B In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

C The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

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

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

F With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.





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

(i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements

(ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts

(iii) There are no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

I. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (Edit log) facility is applicable to the company with effect from 1.4.2023, and accordingly, reporting under Rule 11 (G) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31.3.2023

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

PLACE : SECUNDERABAD,

DATE : 19-09-2023

UDIN: 23028310 BGXCRM6273

For NARESH CHAND AGARWAL & CO.,
CHARTERED ACCOUNTANTS.

FIRM REG. No. 006686S

(N.C. AGARWAL)
PROPRIETOR.
M.No. 028310





ANNEXURE(A) REFERRED TO IN PARAGRAPH 1 OF INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF MAHATHI INFRA SERVICES PRIVATE LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2023.

In terms of Companies (Auditor's Report) Order 2020, issued by the Central Government of India, in terms of section 143(11) of The Companies Act, 2013, we further report, on the matters specified in paragraph 3 and 4 of the said Order, that :-

- 1) (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
(b) The company is maintaining proper records showing full particulars of intangible assets.
 - (ii) The Property, Plant & Equipment have been physically verified by the management at reasonable intervals.
 - (iii) The title deeds of immovable properties shown in the financial statements are held in the name of the company.
 - (iv) The company has not revalued its Property, Plant & Equipment or Intangible assets or both during the year.
 - (v) No proceedings have been initiated against the company for holding benami property under The Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- 2) (i) Physical verification of inventory has been conducted at reasonable intervals by management. In our opinion, the coverage and procedure by the management is appropriate. The aggregate of discrepancies of 10% or more in each class of inventory noticed have been properly dealt with in the books of account.
 - (ii) The quarterly returns/statements filed by the company with banks/financial institutions are not in agreement with the books of the company as on 31-03-2023, details as under

As the company is executing projects at various sites, compliance of stock records are not updated regularly hence, we are unable to comment on variance in stocks, as per books and as per stock statement submitted to bank. However, as on 31-3-2023 the variance is as under :

As per stock statement		As per books	
Stock	19.29 cr	Stock	27.70 cr
Debtors	46.48 cr	Debtors less than 180days	55.10 cr
Creditors	30.51 cr	Creditors	43.02cr

Please refer note no 44 of Notes to account for management reply on the variance as its DP is more than the limits sanctioned even with book balances as on 31st Mar 2023.





- 3) The company had given advance to three parties(subsidiary companies)as ICD/Advance during the year covered in the registered maintained u/s 189 of the Companies Act, 2013, and the year end balance is Rs.20.09 cr.The company has not made any other investments other than as stated above but has provided corporate guarantee to banks for loan raised by one of its subsidiary company.
- 4) The company has not given any loans or guarantees/made any investments within the meaning of sections 185 & 186 of The Companies Act, 2013.
- 5) The company has not accepted any deposits from the public in terms of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- 6) We have broadly reviewed the accounts and cost records maintained by the company under rules made by the Central Government for the maintenance of cost records under Section 148 of the Act. We have however not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- 7) (i) The company is regular in depositing undisputed statutory dues with appropriate authorities.
(ii) According to records of the company, there are no statutory dues which have not been deposited on account of any dispute.
- 8) There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- 9) (i) The company has not defaulted in any repayment of dues to any financial institution or bank or debenture holders.
(ii) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
(iii) The company has taken term loans during the year under Audit and have utilized the same for the purpose for which it was taken.
(iv) The funds raised on a short term basis have not been utilised for long term purposes.
(v) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
(vi) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- 10) (i) The company has not made any initial public offer during the year.
(ii) The company has not made any preferential allotment or private placement of shares/debentures during the year.





- 11) (i) Based upon the audit procedures performed and information and explanations given to us by the management, we report that no fraud by the company or on the company by its officers/ employees has been noticed or reported during the course of our audit.
- (ii) No report under sub-Section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government.
- (iii) No whistle-blower complaints, are received during the year by the Company.
- 12) The company is not a Nidhi Company.
- 13) The transactions entered into with related parties are in compliance with section 177 & 188 of The Companies Act 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) (i) In our opinion & based on our examination, the company does not have an internal audit system & is also not required to have an internal audit system as per the provisions of the Companies Act, 2013.
- (ii) As internal audit system is not prescribed under the act for the company, there are no reports of the Internal Auditors for the period under audit.
- 15) The company has not entered into any non-cash transactions with directors or persons connected with directors, during the year.
- 16) (i) The company is not required to be registered under section 45-IA of The Reserve Bank of India Act, 1934.
- (ii) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.
- (iii) The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.
- (iv) The Company has no CIC as part of the Group.
- 17) The company has not incurred cash losses in the Financial Year and in the immediately preceding Financial Year.
- 18) There has not been any resignation of the statutory auditors during the year.
- 19) On the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material





uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

20) (i) In respect of other than ongoing projects, the company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.

(ii) In respect of other than ongoing projects, the company has not transferred any amount remaining unspent under section (5) of section 135 of Companies Act to special account in compliance with provision of sub section (6) of section 135 of the said Act

PLACE : SECUNDERABAD,

DATE : 19 -09-2023

UDIN: 23028310 BGXCRM 6273

For NARESH CHAND AGARWAL & CO.,
CHARTERED ACCOUNTANTS.

FIRM REG. No. 006686S



N. Agarwal

(N.C. AGARWAL)

PROPRIETOR.

M.No. 028310



Annexure - B to the Auditors' Report

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

We have audited the Internal financial controls over financial reporting of Mahathi Infra Services Pvt. Ltd. ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on

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

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

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





Meaning of Internal Financial Controls over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For NARESH CHAND AGARWAL & CO.,
CHARTERED ACCOUNTANTS.

PLACE : SECUNDERABAD,
DATE : 19-09-2023

Firm Reg. No. 006686S

(N.C. AGARWAL)
PROPRIETOR.
M.No.028310

Mahathi Infra Services Private Limited
Balance Sheet as at March 31, 2023

Rs.

Sl. No.	Particulars	Note No.	As at	As at
			March 31, 2023	March 31, 2022
I	EQUITY AND LIABILITIES			
A	Equity			
(1)	Shareholders' Funds			
(a)	Share Capital	1	3,00,00,000	3,00,00,000
(b)	Reserves and Surplus	2	61,53,72,857	57,12,80,749
	Total Shareholders' Funds		64,53,72,857	60,12,80,749
B	Liabilities			
(2)	Non Current Liabilities			
(a)	Long Term Borrowings	3	5,22,69,765	7,48,75,183
(b)	Deferred Tax Liabilities (Net)	4	1,16,46,534	77,84,459
	Total Non Current Liabilities		6,39,16,299	8,26,59,642
(3)	Current Liabilities			
(a)	Short Term Borrowings	5	26,59,62,307	18,09,02,577
(b)	Trade Payables	6	43,01,86,958	30,49,67,121
(c)	Other Current Liabilities	7	15,05,35,498	16,02,46,480
	Total Current Liabilities		84,66,84,763	64,61,16,178
	Total Liabilities		91,06,01,062	72,87,75,820
	Total Equity and Liabilities		1,55,59,73,919	1,33,00,56,569
II	ASSETS			
(1)	Non Current Assets			
(a)	Property, Plant & Equipment and Intangible assets			
(i)	Property, Plant & Equipment	8	16,77,50,950	13,36,48,101
(ii)	Intangible Assets	9	1,32,586	1,32,586
(iii)	Capital Work-in-Progress		1,39,61,809	-
(2)	Investments	10	5,58,38,792	5,50,01,332
(3)	Other Non Current Assets			
(a)	Deposits	11	1,72,35,165	24,49,807
(b)	Advances for Purchase of Property, Plant and Equipment	12	1,57,50,000	1,72,02,779
(c)	Investment in Subsidiary	13	19,80,17,827	9,24,96,749
	Total Non Current Assets		46,86,87,129	30,09,31,354
(4)	Current Assets			
(a)	Inventories	14	27,70,46,694	17,26,81,155
(b)	Trade Receivables	15	56,16,10,756	66,83,55,112
(c)	Cash and Cash Equivalents	16	9,50,93,337	6,44,14,800
(d)	Other Current Assets	17	15,35,36,003	12,36,74,148
	Total Current Assets		1,08,72,86,790	1,02,91,25,215
	Total Assets		1,55,59,73,919	1,33,00,56,569

Summary of Significant Accounting Policies

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The accompanying Notes are an integral part of the Financial Statements

For Naresh Chand Agarwal & Co.

Chartered Accountants

Firm Reg. No.006686S

Naresh Agarwal

Proprietor

Membership No.028310

Place : Hyderabad

Date : September 19, 2023

For and on behalf of the Board

Mahathi Infra Services Private Limited

Y Kalyan Swaroop

Director & CEO

DIN - 06380842

Y Umamaheswari

Director

DIN - 03188305



Mahathi Infra Services Private Limited
Statement of Profit & Loss for the year ended March 31, 2023

Rs.

Sl. No.	Particulars	Note No.	For the year ended	For the year ended
			March 31, 2023	March 31, 2022
I	REVENUE			
(a)	Revenue from Sales and Services	18	1,57,70,84,548	1,44,25,82,365
(b)	Other Income	19	7,07,45,429	2,73,50,588
	Total Revenue (I)		1,64,78,29,977	1,46,99,32,953
II	EXPENSES			
(a)	Cost of Materials Consumed and Execution Costs	20	1,41,20,46,698	1,28,80,47,805
(b)	Changes in Inventories of Finished Goods, Work-in-Progress	21	(12,02,62,019)	(11,82,58,933)
(c)	Employee Benefits Expenses	22	14,96,28,399	11,98,63,314
(d)	Finance Costs	23	4,41,85,202	2,60,11,221
(e)	Depreciation and Amortisation Expenses	24	1,29,67,286	1,07,76,356
(f)	Other Expenses	25	6,97,90,808	7,03,90,243
	Total Expenses (II)		1,56,83,56,374	1,39,68,30,006
III	Profit / (Loss) before Exceptional / Extraordinary Items (I-II)		7,94,73,603	7,31,02,947
IV	Exceptional / Extraordinary Items	26	85,19,419	-
V	Profit / (Loss) before Tax (III+IV)		7,09,54,184	7,31,02,947
VI	Tax Expense	27		
(a)	Current Tax		2,30,00,000	2,22,15,630
(b)	Deferred Tax Liability / (Asset)		38,62,075	3,76,938
	Total Tax Expense (VI)		2,68,62,075	2,25,92,568
VII	Profit / (Loss) for the year (V-VI)		4,40,92,109	5,05,10,379
VIII	Earnings Per Equity Share			
(a)	Basic & Diluted		147	168

Summary of Significant Accounting Policies

28

The accompanying Notes are an integral part of the Financial Statements

For Naresh Chand Agarwal & Co.
Chartered Accountants
 Firm Reg. No.006686S

Naresh Agarwal
 Proprietor
 Membership No.028310

Place : Hyderabad
 Date : September 19, 2023

For and on behalf of the Board
Mahathi Infra Services Private Limited

Y Kalyan Swaroop
 Director & CEO
 DIN - 06380842

Y Umamaheswari
 Director
 DIN - 03188305



Mahathi Infra Services Private Limited
Cash Flow Statement for the year ended March 31, 2023

Rs.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A. Cash Flow from Operating Activities		
Profit before Tax	7,09,54,184	7,31,02,947
Adjustments for:		
Depreciation of Property, Plant and Equipment	1,29,67,286	1,07,76,356
Amortisation of Intangible Assets	-	-
Interest Income	(32,76,067)	(26,22,150)
Finance Costs	4,41,85,202	2,60,11,221
Profit on Sale of Property, Plant and Equipment	-	(7,73,527)
Derecognition of Financial Assets	-	1,36,25,813
Operating Profit before Working Capital changes	12,48,30,605	12,01,20,660
Changes in Working Capital		
- Adjustments for (increase) / decrease in Operating Assets:		
Inventories	(10,43,65,539)	2,38,24,810
Trade Receivables	10,67,44,356	(29,83,91,891)
Non-Current Deposits	(1,47,85,358)	28,40,879
Other Current Assets	(2,97,42,279)	2,86,37,539
- Adjustments for increase / (decrease) in Operating Liabilities:		
Trade Payables	12,52,19,837	(3,07,56,559)
Other Current Liabilities	(42,27,043)	7,94,69,824
Cash (used in) / generated from Operations	20,36,74,579	(7,42,54,738)
Income Taxes paid	(3,73,03,074)	(1,76,33,883)
Net Cash (used in) / generated from Operating Activities - (A)	16,63,71,505	(9,18,88,621)
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment (including Intangible Assets, Capital Work-in-Progress, Capital Advances and Capital Creditors)	(5,95,79,166)	(1,16,17,137)
Proceeds from sale of Property, Plant and Equipment	-	1,65,41,488
Interest Received on Fixed Deposits	32,76,067	26,22,150
Investments	(10,63,58,538)	(6,67,78,800)
Net Cash used in Investing Activities - (B)	(16,26,61,637)	(5,92,32,299)
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	2,88,65,141	7,31,14,535
Repayment of Long Term Borrowings	(4,14,69,608)	(50,16,201)
Proceeds from / (repayment of) Short Term Borrowings (net)	8,37,58,338	9,89,76,786
Finance Costs	(4,41,85,202)	(2,60,11,221)
Net Cash (used in) / from Financing Activities - (C)	2,69,68,669	14,10,63,899
Net (decrease) / increase in Cash and Cash Equivalents - (A+B+C)	3,06,78,537	(1,00,57,021)
Cash and Cash Equivalents at the beginning of the year (Refer Note 16)	6,44,14,800	7,44,71,821
Cash and Cash Equivalents at the end of the year (Refer Note 16)	9,50,93,337	6,44,14,800
Components of Cash and Cash Equivalents:		
Cash on Hand	11,39,951	8,52,508
Balances with Banks		
- in Current Accounts	3,19,55,795	20,13,400
- in Margin Money	6,10,25,449	3,45,66,713
- in Fixed Deposit Accounts	9,72,142	2,69,82,179
Total Cash and Cash Equivalents	9,50,93,337	6,44,14,800

Note:

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the AS-3 on Cash Flow Statements.
The accompanying Notes are an integral part of the Financial Statements

For Naresh Chand Agarwal & Co.
Chartered Accountants
 Firm Reg. No.006686S

Naresh Agarwal
 Proprietor
 Membership No.028310

Place : Hyderabad
 Date : September 19, 2023

For and on behalf of the Board
Mahathi Infra Services Private Limited

Y Kalyan Swaroop
 Director & CEO
 DIN - 06380842

Y Umamaheswari
 Director
 DIN - 00188305

Note No.1 Equity Share Capital

Rs.

Particulars	As at		As at	
	March 31, 2023		March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital Equity Shares of Rs.100 each	3,00,000	3,00,00,000	3,00,000	3,00,00,000
Issued, Subscribed and Paid up Share Capital Equity Shares of Rs.100 each	3,00,000	3,00,00,000	3,00,000	3,00,00,000
Total	3,00,000	3,00,00,000	3,00,000	3,00,00,000

1.1 Terms / Rights attached to Equity Shares

The Company has only one class of issued shares referred to as Equity Shares having a par value of Rs.100 each. Each Shareholder is entitled to one vote per Share. The Dividend proposed by the Board of Directors, if any, subject to the approval of Shareholders in AGM. In the event of liquidation of the Company, the Equity Shareholder will be entitled to receive remaining assets of the company after settlement of all preferential amounts. The distribution will be in proportion to the number of equity Shares held by the Equity Shareholders.

1.2 Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Rs.

Particulars	For the year ended		For the year ended	
	March 31, 2023		March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	3,00,000	3,00,00,000	3,00,000	3,00,00,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	3,00,000	3,00,00,000	3,00,000	3,00,00,000

1.3 Equity Shares allotted as fully paid Bonus Shares in the Ratio of 1:5 by Capitalisation of Balance in P & L Account In 2013-14.

1.4 Details of shareholders, holding more than 5% shares in the Company

Name of the Shareholder	As at		As at	
	March 31, 2023		March 31, 2022	
	No. of Shares	%	No. of Shares	%
(a) Y. Ravi Shanker	1,65,000	55	1,65,000	55
(b) Y. Uma Maheshwari	60,000	20	60,000	20
(c) Y. Kalyan Swaroop	45,000	15	45,000	15
(d) Y. Sirisha	30,000	10	30,000	10



Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.2 Reserves and Surplus

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Retained Earnings		
Balance as at March 31, 2022	57,12,80,748	52,07,70,370
Profit / (Loss) for the year	4,40,92,109	5,05,10,379
Balance as at March 31, 2023	61,53,72,857	57,12,80,749

Note No.3 Long Term Borrowings

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Secured Loans		
Term Loan - HDFC Bank	2,59,98,608	2,69,24,057
Vehicle Loans from Banks - Hire Purchase	17,35,970	1,71,36,591
Unsecured Loans		
From Body Corporates	1,27,50,727	3,08,14,535
From Directors	1,17,84,460	-
Total	5,22,69,765	7,48,75,183

Terms and Conditions attached to the borrowings:

- Hire Purchase Loan of Rs.14,87,000 from Kotak Mahindra Prime Limited is secured against respective vehicle financed, the said loan interest is @ 9.25% p.a., repayable in 60 monthly instalments from September 2018 to August 2023.
- Hire Purchase Loan of Rs.43,50,000 from Punjab National Bank is secured against respective vehicle financed, the said loan interest is @ 9.10% p.a., repayable in 84 monthly instalments from February 2019 to January 2026.
- Hire Purchase loan of Rs.75,34,742 from HDFC Bank Ltd. is secured against respective vehicle financed, the said loan interest is @ 8% p.a., repayable in 37 monthly instalments from September 2020 to September 2023.
- GECL, COVID loan of Rs.2,73,00,000 from HDFC Bank Ltd., is secured against 2nd charge over existing primary and collateral security including mortgages created in favour of the bank. The loan carries interest at 9.25% p.a. and is repayable in 37 monthly instalments (after a moratorium of 24 months) from February 2024 to February 2027. The Loan is further secured by personal guarantee of 3 Directors and one outside party.
- Business Loan of Rs.75,00,000 from HDFC Bank Ltd., is secured by the Company, with interest @ 15% p.a., repayable in 12 monthly instalments from March 2022 to February 2023.
- Business Loan of Rs.75,00,000 from Kotak Mahindra is secured by the Company, with interest @ 15% p.a., repayable in 13 monthly instalments from March 2022 to March 2023.
- Two Cemid Equipment Loans of Rs.82,83,000 from HDFC Bank Ltd. are secured against respective equipment, the said loan interest is @ 8% p.a., repayable in 12 monthly instalments from August 2022 to July 2023.
- Cemid equipment loan of Rs.31,86,000 from HDFC Bank Ltd. is secured against respective equipment, the said loan interest is @ 8.55% p.a., repayable in 12 monthly instalments from January 2023 to December 2023.
- Cemid Equipment Loan of Rs.17,00,000 from HDFC Bank Ltd. is secured against respective equipment, the said loan interest is @ 8.85% p.a., repayable in 12 monthly instalments from February 2023 to January 2024.
- Hire Purchase Loan of Rs.75,34,742 from HDFC Bank Ltd. is secured against respective vehicle financed, the said loan interest is @ 8% p.a., repayable in 37 monthly instalments from September 2020 to September 2023.
- Hire Purchase Loan of Rs.8,62,681 from HDFC Bank Ltd. is secured against respective vehicle financed, the said loan interest is @ 8.90% p.a., repayable in 39 monthly instalments from March 2023 to May 2026.
- Two Hire Purchase Loans of Rs.30,49,000 from HDFC Bank Ltd. are secured against respective vehicles financed, the said loan interest is @ 9.25% p.a., repayable in 12 monthly instalments from April 2023 to March 2024.
- No repayment schedule nor any interest is paid on Unsecured Loans. The same are not secured nor any personal guarantee is given by Directors.



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Mahathi Infra Services Private Limited
Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.4 Deferred Tax Liabilities (Net)

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Deferred Tax Liabilities	1,16,46,534	77,84,459
Deferred Tax Assets	-	-
Total	1,16,46,534	77,84,459

Note No.5 Short Term Borrowings

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Secured Loans		
Working Capital Facilities	26,46,60,915	18,09,02,577
Current Maturities of Term Loan - Secured	13,01,392	-
Total	26,59,62,307	18,09,02,577

- (a) Working Capital Facility from HDFC Bank Limited is secured against hypothecation of Stocks & Book Debts charge on movable assets of the Company and against security of Open Land at Maheswaram Mandal, R.R. Dist. belonging to the Company. It is further secured by personal guarantee of 3 Directors and personal property offered by Mr.Y.Ravi Shankar - Director of the Company. The loan is renewable every year. Interest is charged at 9% p.a.
- (b) Working Capital Facility from ICICI Bank Limited is secured against hypothecation of Stocks & Book Debts charge on movable assets of the Company and against security of Open Land at Maheswaram Mandal, R.R. Dist. belonging to the Company. It is further secured by personal guarantee of 3 Directors and personal property offered by Mr.Y.Ravi Shankar - Director of the Company. The loan is renewable every year. Interest is charged at 9% p.a.

Note No.6 Trade Payables

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Outstanding dues to Micro, Small and Midium Enterprises	63,05,271	1,32,62,062
Outstanding dues to Creditors other than Micro, Small and Midium Enterprises	42,38,81,687	29,17,05,059
Total	43,01,86,958	30,49,67,121

Outstanding for the periods from the due date of payments

Rs.

Particulars	< 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Undisputed:					
MSME	63,05,271	-	-	-	63,05,271
Others	37,55,26,934	4,83,54,753	-	-	42,38,81,687
Unbilled	-	-	-	-	-
Disputed:					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Unbilled	-	-	-	-	-
Total	38,18,32,205	4,83,54,753	-	-	43,01,86,958

Note No.7 Other Current Liabilities

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Provision for Expenses	4,11,81,857	3,41,34,222
Provision for Income Tax (Net)	-	1,41,83,498
Advances Received from Customers	6,89,71,304	6,35,20,645
Advance Received for Sale of Land	2,08,00,000	2,08,00,000
Current Maturities of Lease Finance - Secured	1,22,03,238	35,03,679
Statutory Dues	73,79,099	2,41,04,436
Total	15,05,35,498	16,02,46,480



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Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.8 Property, Plant and Equipment

Description	Gross Block - at cost			Depreciation			Net Block	
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	On Disposal	As at March 31, 2023
Freehold Land	31,346,750	-	-	31,346,750	-	-	-	31,346,750
Buildings	34,317,276	-	-	34,317,276	8,688,943	1,085,626	-	24,542,707
Plant and Machinery	79,444,655	17,647,708	-	111,740,627	28,582,429	6,114,320	-	77,043,878
Furniture and Fixtures	14,010,171	197,517	-	14,207,688	4,965,294	1,280,962	-	7,961,432
Office Equipment	5,300,433	6,825,918	-	12,126,351	3,085,431	963,371	-	8,077,549
Computers	11,641,089	2,008,798	-	13,649,887	9,351,666	1,378,248	-	2,919,973
Vehicles	18,203,999	5,741,930	-	23,945,929	5,942,509	2,144,759	-	15,858,661
Total	194,264,373	32,421,871	-	241,334,508	60,616,272	12,967,286	-	167,750,950
Previous Year	204,633,426	4,279,238	15,767,961	193,144,703	48,720,246	10,776,356	-	133,648,101

Note No.9 Intangible Assets

Description	Gross Block - at cost			Amortisation			Net Block	
	As at April 1, 2022	Additions	Disposals	As at March 31, 2023	As at April 1, 2022	For the year	On Disposal	As at March 31, 2023
Computer Software	4,185,608	-	-	4,185,608	4,053,022	-	-	132,586
Total	4,185,608	-	-	4,185,608	4,053,022	-	-	132,586
Previous Year	4,185,608	-	-	4,185,608	4,053,022	-	-	132,586



Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.10 Investments

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Long Term, Unquoted, Non Trade		
(a) 100% Subsidiary, Mahathi Infra Gabon SARL (No. of Equity Shares 10,000 of CFAs.100 each, Previous year 10,000 of CFAs.100 each)	1,18,532	1,18,532
(b) Subsidiary, Mahathi Storage Terminal (P) Ltd. [Formerly known as Mahathi ARC Storage Terminal (P) Ltd.] (No. of Equity Shares 7,40,000 of Rs.10 each, Previous year 7,40,000 Equity Shares of Rs.10 each)	74,00,000	74,00,000
(c) Mahathi Infra Uganda Limited (No. of Equity Shares 5,600 of UGHs.1,00,000 each, Previous year 5,600 of UGHs.1,00,000 each)	1,03,86,700	1,03,86,700
(d) AGR Petro Ventures (P) Ltd. (No. of Equity Shares 3,99,900 of Rs.10 each, Previous year 3,99,900 of Rs.10 each)	3,79,33,560	3,70,96,100
Total	5,58,38,792	5,50,01,332

Note No.11 Deposits

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Security Deposits	1,72,35,165	24,49,807
Total	1,72,35,165	24,49,807

Note No.12 Advances for Purchase of Property, Plant and Equipment

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Advances for Purchase of Property, Plant and Equipment	1,57,50,000	1,72,02,779
Total	1,57,50,000	1,72,02,779

Note No.13 Investment in Subsidiary

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Inter Corporate Deposits Subsidiary Mahathi Storage Terminal (P) Ltd. [Formerly known as Mahathi ARC Storage Terminal (P) Ltd.]	19,80,17,827	9,24,96,749
Total	19,80,17,827	9,24,96,749



Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.14 Inventories

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Valued at Cost or Market Value which ever is Lower		
Raw Materials	3,85,25,742	5,44,22,222
Work-in-Progress	23,85,20,952	11,82,58,933
Finished Goods	-	-
Stores and Spares	-	-
Total	27,70,46,694	17,26,81,155

Note No.15 Trade Receivables

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Unsecured, undisputed, considered good		
Debts outstanding more than 6 months from due date	1,06,60,748	17,55,69,927
Other Debts	55,09,50,008	49,27,85,185
Total	56,16,10,756	66,83,55,112

Outstanding for the periods from the due date of payments

Rs.

Particulars	< 6 Months	6 Months - 1 Year	1-2 Years	2-3 Years	> 3 Years	Total
Undisputed:						
Good	55,09,50,010	1,04,54,525	60,965	1,45,258	-	56,16,10,758
Doubtful	-	-	-	-	-	-
Disputed:						
Good	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-
Total	55,09,50,010	1,04,54,525	60,965	1,45,258	-	56,16,10,758

Note No.16 Cash and Cash Equivalents

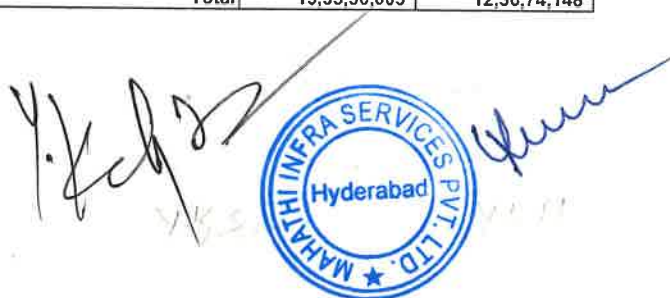
Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Cash on Hand	11,39,951	8,52,508
Balances with Banks		
- in Current Accounts	3,19,55,795	20,13,400
- in Margin Money	6,10,25,449	3,45,66,713
(The Margin Money includes Interest)		
- in Fixed Deposit Accounts	9,72,142	2,69,82,179
Total	9,50,93,337	6,44,14,800

Note No.17 Other Current Assets

Rs.

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Unsecured and considered good		
Advances to Suppliers	8,25,86,837	7,56,48,823
Balances with Statutory / Government Authorities	7,02,00,443	4,80,25,325
Current Tax Assets (net)	1,19,576	-
Other Receivables	6,29,147	-
Total	15,35,36,003	12,36,74,148



Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.18 Revenue from Sales and Services

Rs.

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
A Income from Business Operations		
Income from Commercial Activity - Domestic	4,50,65,810	11,33,22,669
Income from Commercial Activity - Exports	10,53,26,809	6,38,29,074
Total	15,03,92,619	17,71,51,743
B Income from Execution of Contracts		
Income from Execution of Contract - Domestic	1,10,26,41,122	51,70,52,710
Income from Execution of Contracts - Exports	32,21,55,697	74,67,93,497
Total	1,42,47,96,819	1,26,38,46,207
C Other Operating Revenue		
Scrap Sales	18,95,110	15,84,415
Total	18,95,110	15,84,415
Total (A+B+C)	1,57,70,84,548	1,44,25,82,365

Note No.19 Other Income

Rs.

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Excise Duty Draw Back	14,22,332	44,24,830
Interest Earned on Fixed Deposit	32,76,067	26,22,150
Sale of Exim Scrip	8,78,218	1,34,29,117
Foreign Currency Fluctuations Gain	1,65,92,202	57,85,832
Profit on Sale of Property, Plant and Equipment	-	7,73,527
Service Charges	-	4,012
Insurance Claim	5,67,236	-
Other Income	13,61,862	3,11,120
Vendor Balances Written Back	4,58,87,232	-
Prior Period Income	7,60,280	-
Total	7,07,45,429	2,73,50,588

Note No.20 Cost of Materials Consumed and Execution Costs

Rs.

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Opening Stock at the beginning of the year	5,44,22,222	19,65,05,965
Add: Purchases	86,04,19,596	74,02,60,496
	91,48,41,818	93,67,66,461
Less: Closing Stock at the end of the year	3,85,25,742	5,44,22,222
	87,63,16,076	88,23,44,239
Execution of Contracts & Other Expenses	53,57,30,622	40,57,03,566
Total	1,41,20,46,698	1,28,80,47,805



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Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.21 Changes in Inventories of Finished Goods, Work-in-Progress

Rs.

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Opening Stock :		
Work-in-Progress	11,82,58,933	-
Finished Goods	-	-
Closing Stock :		
Work-in-Progress	23,85,20,952	11,82,58,933
Finished Goods	-	-
Total	(12,02,62,019)	(11,82,58,933)

Note No.22 Employee Benefits Expenses

Rs.

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Directors Remuneration & Perks	46,47,276	52,47,276
Salaries & Other Benefits	14,49,81,123	11,46,16,038
Total	14,96,28,399	11,98,63,314

Note No.23 Finance Costs

Rs.

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Interest Expenses on:		
- Term Loan	29,68,605	26,10,000
- Business Loan	60,66,485	1,01,437
- Working Capital Loans	1,79,27,723	1,38,15,894
- Hire Purchase and Others	8,37,334	7,13,120
- Suppliers / Customers Credit	49,12,294	-
Loan Processing Charges	28,34,588	17,41,660
Bank charges	86,38,173	70,29,110
Total	4,41,85,202	2,60,11,221

Note No.24 Depreciation and Amortisation Expenses

Rs.

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Depreciation on Property, Plant and Equipment	1,29,67,286	1,07,76,356
Amortisation of Intangible Assets	-	-
Total	1,29,67,286	1,07,76,356



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Mahathi Infra Services Private Limited
Notes and other explanatory information to Financial Statements for the year ended March 31, 2023
Note No.25 Other Expenses
Rs.

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Consultancy & Professional Charges	47,91,750	1,76,82,931
Rent	70,57,565	17,51,400
Travelling & Conveyance	2,16,84,968	1,50,71,154
* Communication Expenses	12,80,673	11,87,480
Auditors' remuneration :		
(a) Audit Fee	2,00,000	2,45,632
(b) Tax Audit Fee	50,000	50,000
(c) Out of Pocket Expenses	-	-
Cost Audit Fee	50,000	-
Printing and Stationery	9,36,082	17,00,398
Office Maintenance	56,74,963	77,78,865
Insurance	12,66,163	5,91,501
CSR Expenses	20,79,300	41,01,043
Rates and Taxes	53,88,401	60,13,565
Repairs & Maintenance	26,47,341	3,50,893
Derecognition of Financial Assets (Bad Debts)	-	1,36,25,813
Vendor Advances Written Off	1,37,43,384	-
Security Services	19,65,452	-
Marketing Expenses	9,74,766	2,39,568
Total	6,97,90,808	7,03,90,243

Note No.26 Exceptional / Extraordinary Items
Rs.

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Prior Period Expenses	85,19,419	-
Total	85,19,419	-

Note No.27 Tax Expense
Rs.

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
Current Tax	2,30,00,000	2,22,15,630
Deferred Tax Liability / (Asset)	38,62,075	3,76,938
Total	2,68,62,075	2,25,92,568



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Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.28: Significant Accounting Policies

- a) The Company is engaged in the business of executing Engineering Contracts and Commercial Activity of Engineering Products.

b) Basis of Preparation of Financial Statements:

The Financial Statements have been prepared on accrual basis under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 2013.

c) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the Financial Statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

d) Property, Plant and Equipment and Intangible Assets:

- i) Property, Plant and Equipment and Intangible Assets are stated at cost net of GST rebates, less accumulated depreciation / amortisation and impairment loss, if any.
- ii) All costs, including financing costs till commencement of commercial operations, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to Property, Plant and Equipment and Intangible Assets, acquired from outside India, are capitalised.
- iii) Expenses incurred relating to project prior to commencement of commercial operations are classified as Project Development Expenditure and disclosed under Capital Work-in-Progress (net of income earned during project development stage).

e) Depreciation and Amortisation:

Depreciation on Property, Plant and Equipment is provided on straight line method at the rate and in the manner prescribed in Schedule II to the Companies Act, 2013.

Intangible Assets are Amortised over the useful life of the asset i.e., Computer Software - 3 years.

f) Impairment of Assets:

An asset (Tangible & Intangible Asset) is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged for when the asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g) Investments:

Investments are classified into current investment and long-term investment. Current investments are carried at lower of cost or fair value. Any reduction in carrying amount and reversals of such reductions is charged or credited to Statement of Profit and Loss. Long-term investments are carried at cost less provision made to recognise any decline, other than temporary, in the value of such investments.

h) Revenue Recognition:

i) Exports Sales:

- a) Export sales are recorded on CIF basis.

Recognition of Contract Revenue and Expenses:



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Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

- a) Revenue and cost associated with Construction Contracts are recognized in accordance with AS-7 Construction Contracts as notified in the Companies Act, 2013.
- b) Contract revenue is recognized by reference to the stage of completion of the contract activity at the reporting date of the Financial Statements on the basis of percentage of completion method.
- c) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract cost for each contract.
- d) Profit is recognized and taken as the revenue of the year only when the work on the contract has progressed to a reasonable extent. Foreseeable losses are accounted for as and when they are determined except to the extent, they are expected to be recovered through claims presented or to be presented to the customer or in arbitration. Since there are no foreseeable losses, no such losses are recognized in the books of accounts.
- e) The Company's claim for extra work and escalation in rates relating to execution of contracts are recognized as revenue in the year in which the said claims are finally accepted by the clients and probable amount of such acceptance can be suitably measured.
- f) Export entitlement from government authorities is recognised in the Statement of Profit and Loss when the right to receive the incentive / entitlement as per the terms of scheme is established.

Revenue and purchases are recognized by including all applicable taxes and duties except GST.

i) Foreign Currency Transactions:

- i) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transaction.
- ii) Monetary items denominated in foreign currencies at the year end are restated at year end exchange rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.
- iii) Non-monetary foreign currency items are carried at cost, any income or expense on account of exchange difference either on settlement or on translation is recognised as Revenue except in cases where they relate to acquisition of Property, Plant and Equipment in which case, they are adjusted to the carrying cost of such assets.
- iv) In respect of forward exchange contracts entered in to hedge foreign currency risk of existing assets and liabilities, the difference between the forward rate and exchange rate at the inception of the contract is recognised as income or expense over the life of contract. Further, the exchange differences arising on such contracts are recognised as income or expense along with the exchange differences on underlying assets / liabilities. Profit or Loss on cancellations / renewals of forward contracts is recognised during the year.
- v) Forward exchange contracts outstanding as at the year end on account of firm commitment / highly probable forecast transactions are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the Announcement of the Institute of Chartered Accountants of India on Accounting for Derivatives issued in March, 2008.



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Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

j) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

k) Inventories:

Raw Material, Work-in-Progress, Packing Material, Stores and Spares are valued at cost including all direct costs. Finished Goods are valued at lower of cost or market value.

l) Taxation:

Provision for Current Tax is made based on the tax estimation made using the applicable rates. Deferred Tax arising due to the timing difference between the book and taxable income and capable of reversal in subsequent periods is provided for using relevant enacted tax rates.

m) Cash Flow Statement:

Cash Flow Statement is prepared in accordance with the "Indirect Method" as prescribed under AS-3 issued by the ICAI. The cash flows for operating, investing and financing activities are segregated based on the available information.

n) Retirement Benefits:

The Company's contribution to Employee Provident Fund, Employee State Insurance and Gratuity is charged to Statement of Profit & Loss. Leave Encashment, if any, is accounted upon their payment.

o) Leases:

Leases are classified as finance or operating leases depending upon the terms of the agreements. Assets held under finance leases are recognised as assets of the Company on the date of acquisition and depreciated over their estimated useful life. Finance costs are treated as period cost using effective interest rate method and are expensed accordingly. Rentals payable under operating leases are charged to expenses as and when incurred.

p) Earnings Per Share:

Basic Earnings Per Share is computed by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the year.

q) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the Financial Statements.



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Mahathi Infra Services Private Limited
Notes and other explanatory information to Financial Statements for the year ended March 31, 2023
Note No.29. Related Party Disclosures

As per Accounting Standard 18 (AS-18) 'Related Party Disclosures', issued by the ICAI, the disclosures of transactions with the Related Parties as defined in AS-18 are given below:

(a) List of Related Parties and Relationships:

Sl. No.	Name of the Related Party	Relationship
1	Y. Ravishankar	Director
2	Y. Umamaheswari	Director
3	Y. Kalyan Swaroop	Director & CEO
4	B. Lakshminarayana	Independent Director
5	Sirisha Vegaraju	Director Y. Ravishankar's daughter
6	Himani Agarwal	Director Y. Kalyan Swaroop's wife
7	Mahathi Infra Gabon SARL	Wholly Owned Subsidiary Company
8	Mahathi Storage Terminal Private Limited	Subsidiary Company
9	AGR Petro Ventures Private Limited	Wholly Owned Subsidiary Company
10	Mahathi Tours & Travels Private Limited	Sister Concern Company
11	Mahathi Infra Uganda Limited	Sister Concern Company
12	Mahathi Projects Private Limited	Sister Concern Company
13	Core Mahathi Projects India Private Limited	Sister Concern Company

(b) Related Party Transactions

Particulars	Subsidiary Companies		Sister Concern Companies		Directors		Relatives of Directors	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Purchases of Goods / Services	-	-	2,74,00,976	2,36,01,209	-	-	-	-
Sales of Goods / Services (including GST)	27,30,89,922	28,23,78,055	32,21,55,697	48,87,09,775	-	-	-	-
Expenses :								
Directors Remuneration	-	-	-	-	50,39,988	46,47,276	-	-
Salaries	-	-	-	-	-	-	35,09,988	25,19,988
Advisory Fee	-	-	-	-	6,00,000	6,00,000	-	-
Income :								
	-	-	-	-	-	-	-	-
Other Receipts :								
Receipt of Other Investment Made	-	-	-	-	-	-	-	-
Receipt of Unsecured Loan	3,22,28,103	84,84,535	-	-	1,30,00,000	-	-	-
Other Payments :								
Investment made in Equity	-	-	-	-	-	-	-	-
Other Investment Made	10,55,21,078	2,96,82,700	-	-	-	-	-	-
Repayment of Unsecured Loan	2,02,91,912	-	-	-	12,15,540	-	-	-
Balances Outstanding :								
Payables :								
Payables against Purchases / Sales	-	-	-	-	-	-	-	-
Unsecured Loan Payable	1,27,50,726	8,14,535	-	-	1,17,84,460	-	-	-
Receivables :								
Receivables against Purchases / Sales	7,82,85,098	27,62,13,914	32,80,19,149	30,57,44,508	-	-	-	-
Advances Given	-	-	28,46,344	-	-	-	-	-
Investments Made in Equity (including I)	4,54,52,092	4,46,14,632	-	-	-	-	-	-
Other Investment Made	19,80,17,827	9,24,96,749	-	-	-	-	-	-



Y. K. Swaroop



Y. K. Swaroop

Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.30 Calculation of Deferred Tax:

Rs.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
On Depreciation and Amortisation		
Net Block as per Books	16,78,83,536	13,37,80,687
WDV as per Income Tax	12,15,98,183	10,28,53,159
Timing difference arising out of Depreciation and Amortication for the year	4,62,85,353	3,09,27,528
Tax Rate	25.17%	25.17%
Deferred Tax Liability	1,16,50,023	77,84,459
Deferred Tax Liability Opening Balance	77,84,459	74,07,521
Deferred Tax recognised in Statement of Profit and Loss	38,65,564	3,76,938

Note No.31 Segment reporting**I. The business segment as required under AS-17 falls under two segments:**

Rs.

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Sale of Engineering Products		
i. Domestic Sales (Direct)	4,50,65,810	11,33,22,669
ii. Export Sales	10,53,26,809	6,38,29,074
Total Revenue from Commercial Activity	15,03,92,619	17,71,51,743
(b) Execution of Engineering Contracts		
i. Execution of Contracts (Domestic)	1,10,26,41,122	51,70,52,710
ii. Execution of Contracts (Exports)	32,21,55,697	74,67,93,497
	1,42,47,96,819	1,26,38,46,207
	1,57,51,89,438	1,44,09,97,950

II. Geographical Segment Information:

- (a) All the assets are held in India except for export receivables of Rs.3,307.05 lakh (Previous Year Rs.5,187.74 lakh).
(b) Revenue - within India Rs.11,477.07 lakh (Previous Year Rs.6,303.75 lakh).
(c) Revenue - outside India including Deemed Exports and Project Exports Rs.4,274.83 lakh (Previous Year Rs.8,106.23 lakh).

Note No.32

In the opinion of the management, the Current Assets, Loans & Advances are approximately of the value stated, if realized in the ordinary course of the business.

Note No.33

The Balances of Sundry Debtors, Loans & Advances, Sundry Creditors, etc., are subject to confirmation, GST reconciliation is in the process.

Note No.34 Capital and Other Commitments

Rs.

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account not provided for	18,19,790	-



Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.35 Foreign Currency Earnings and Expenses

For the year ended March 31, 2023

(a) Earnings

Particulars	EUROs	USDs
Receipts from Execution of Contracts	10,50,000	41,32,855
Receipts from Export Sales	-	19,97,532
Total	10,50,000	61,30,387

(b) Expenses

Particulars	EUROs	USDs	GBPs	AEDs
Bank Charges	-	391	-	-
Contract Execution Expenses	-	27,12,258	-	-
Material Suppliers	1,05,854	72,94,107	2,695	51,045
Professional Fees	-	1,380	-	-
Freight and Clearing Charges	-	-	-	-
Travel Expenses	-	-	-	-
Admin and Other Expenses	-	-	-	-
Total	1,05,854	1,00,08,136	2,695	51,045

For the year ended March 31, 2022

(a) Earnings

Particulars	EUROs	USDs	TBHs
Receipts from Execution of Contracts	10,00,000	71,64,232	-
Receipts from Export Sales	-	1,81,514	-
Service Charges Receipts	-	-	6,000
Total	10,00,000	73,45,746	6,000

(b) Expenses

Particulars	EUROs	USDs	TBHs
Bank Charges	-	3,497	-
Commission	-	-	1,05,000
Contract Execution Expenses	-	43,40,949	-
Material Suppliers	61,558	4,96,432	-
Overseas Office Expenses	-	11,04,821	-
Professional Fees	-	1,340	83,727
Freight and Clearing Charges	-	4,11,059	-
Travel Expenses	-	-	3,67,294
Admin and Other Expenses	-	45,500	19,53,387
Total	61,558	64,03,598	25,09,408

Note No.36 Contingent Liabilities - Not probable and therefore not provided for

Rs.

Particulars	As at March 31, 2023	As at March 31, 2022
A Outstanding Guarantees given by Banks on behalf of Company	29,86,99,377	20,39,42,424
B Outstanding Letters of Credit given by Banks on behalf of Company	11,70,82,818	4,65,95,709
C Outstanding Corporate Guarantees	50,60,00,000	51,36,91,000



Mahathi Infra Services Private Limited**Notes and other explanatory information to Financial Statements for the year ended March 31, 2023****Note No.37 Financial and Derivative Instruments**

Derivative Contracts: For hedging Currency of Derivative Contracts entered into by the Company and outstanding as on March 31, 2023: NIL (as on March 31, 2022: NIL)

Un covered Risks:

As at March 31, 2023

Particulars	USDs	EUROs	AEDs
Assets:			
Trade Receivables	40,17,206	4,577	-
Advances to Suppliers	1,11,511	-	-
Cash on Hand	360	-	-
Balances with Banks in EEFC Accounts	3,53,701	-	-
Liabilities:			
Trade Payables	7,15,243	-	-
Advances Received from Customers	2,97,025	-	-

As at March 31, 2022

Particulars	USDs	EUROs	AEDs
Assets:			
Trade Receivables	45,88,317	20,19,604	-
Advances to Suppliers	75,206	-	-
Cash on Hand	1,500	-	-
Balances with Banks in EEFC Accounts	4,774	-	-
Liabilities:			
Trade Payables	8,84,826	-	1,47,171
Advances Received from Customers	1,49,818	-	-

Note No.38

The Company is having immovable property in its name. The Company has constructed factory building on the said premises.

Note No.39

The Company has not revalued its Property, Plant and Equipment and Intangible Assets.

Note No.40 Loans and Advances granted to Promoters, Directors, KMP's and Related Parties

As at March 31, 2023

Rs.

Type of Borrower	As at March 31, 2023		As at March 31, 2022	
	Amount of Loans and Advances in the Nature of Loans outstanding	% of Total Loans and Advances in the Nature of Loans	Amount of Loans and Advances in the Nature of Loans outstanding	% of Total Loans and Advances in the Nature of Loans
Promoters	-		-	
Directors	-		-	
KMPs	-		-	
Related Parties	20,08,64,171	100%	9,24,96,749	100%

Note No.41 Capital Work-in-Progress

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Work-in-Progress	1,39,61,809	-



A. Capital Work-in-Progress Ageing Schedule

As at March 31, 2023

Rs.

Particulars	Amount in CWIP for a Period of				Total
	< 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
Projects in Progress	1,39,61,809	-	-	-	1,39,61,809
Projects Temporarily Suspended	-	-	-	-	-

As at March 31, 2022

Rs.

Particulars	Amount in CWIP for a Period of				Total
	< 1 Year	1 - 2 Years	2 - 3 Years	> 3 Years	
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-

B. Capital Work-in-Progress Completion Schedule

As at March 31, 2023

Rs.

Particulars	Amount in CWIP for a Period of				Total
	< 1 Year	1 - 2 Years	2 - 3 Years	> Years	
Interiors for Leasehold Premises	1,39,61,809	-	-	-	1,39,61,809

As at March 31, 2022

Particulars	Amount in CWIP for a Period of				Total
	< 1 Year	1 - 2 Years	2 - 3 Years	> Years	
Project - 1	-	-	-	-	-

Note No.42 Intangible Assets Under Development

Rs.

Particulars	As at March 31, 2023	As at March 31, 2022
Intangible Assets Under Development	-	-

A. Intangible Assets Ageing Schedule

As at March 31, 2023

Rs.

Particulars	Amount in CWIP for a Period of				Total
	< 1 Year	1 - 2 Years	2 - 3 Years	> Years	
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-

As at March 31, 2022

Rs.

Particulars	Amount in CWIP for a Period of				Total
	< 1 Year	1 - 2 Years	2 - 3 Years	> Years	
Projects in Progress	-	-	-	-	-
Projects Temporarily Suspended	-	-	-	-	-

B. Intangible Assets Completion Schedule

As at March 31, 2023

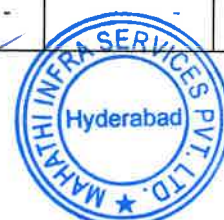
Rs.

Particulars	Amount in CWIP for a Period of				Total
	< 1 Year	1 - 2 Years	2 - 3 Years	> Years	
Project - 1	-	-	-	-	-

As at March 31, 2022

Rs.

Particulars	Amount in CWIP for a Period of				Total
	< 1 Year	1 - 2 Years	2 - 3 Years	> Years	
Project - 1	-	-	-	-	-



Mahathi Infra Services Private Limited**Notes and other explanatory information to Financial Statements for the year ended March 31, 2023****Note No.43**

There are no proceedings been initiated or are pending against the Company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

Note No.44

As the Company is not maintaining complete inventory records, we are unable to comment on variance in inventory, as per books and as per stock statement submitted to bank. However, the variance is as under:

As at March 31, 2023**Rs.**

Particulars	As per Stock Statement	As per Books	Difference
Inventories	19,28,66,095	27,70,46,694	(8,41,80,599)
Trade Receivables (Less than 6 months)	46,48,40,802	55,09,50,010	(8,61,09,208)
Trade Payables	30,50,80,750	43,01,86,958	(12,51,06,208)

The Company is submitting, in the stock statement the total Trade Receivables as on the date of stock statement. Further, as per the management, even if the values of the Inventories, Trade Receivables less than 6 months less Trade Payables is considered, the same is adequate for its limit of Rs.26,00,00,000 (including adhoc) and will not effect its Drawing Power (DP).

Note No.45

The Company is not a wilful defaulter with any bank or financial institution or other lenders.

Note No.46

The Company has no transactions with companies struck off u/s 248 of the Companies Act, 2013 or u/s 560 of the Companies Act, 1956.

Note No.47

The Company has registered all charges or satisfaction of charges with ROC.

Note No.48 The compliance with number of layers of companies.

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



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Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.49 Ratios

Particulars	As at March 31, 2023	As at March 31, 2022	% Change
(a) Current Ratio (Current Assets / Current Liabilities)	1.28	1.59	-0.19
(b) Debt-Equity Ratio (Total Debt / Shareholders Funds)	0.51	0.43	0.19
(c) Debt Service Coverage Ratio (Cash Available for Debt Service / Debt Service)	1.18	2.81	-0.58
(d) Return on Equity Ratio (PAT / Shareholders Equity)*100	6.83%	8.40%	-0.19
(e) Inventory Turnover Ratio (Sales / { (Opening Stock + Closing Stock)/2 }	3.36	4.14	-0.19
(f) Trade Receivables Turnover Ratio (no. of days) (Sales/ { (Opening Debtors + Closing Debtors)/2 }	3.03	3.24	-0.06
(g) Trade Receivables Days (Closing Debtors*365/Sales)	110.15	143.31	-0.23
(h) Trade Payables Turnover Ratio (no. of days) (Sales / { (Opening Creditors + Closing Creditors)/2 }	3.80	3.58	0.06
(i) Trade Payables Days (Closing Creditors*365/Purchases)	112.47	97.13	0.16
(j) Net Capital Turnover Ratio Sales / (Current Assets - Current Liabilities)	6.55	3.77	0.74
(k) Net Profit Ratio (PAT / Sales)*100	2.80%	3.50%	-0.20
(l) Return on Capital Employed (EBIT / Capital Employed)*100	12.67%	11.52%	0.10
(m) Return on Investment (Net Profit / Shareholders Funds)*100	6.83%	8.40%	-0.19

Note No.50

There is no scheme or arrangement by any competent authority in terms of sections 230 to 237 of the Companies Act, 2013.

Note No.51 Undisclosed Income

There is no income which are undisclosed against any transactions not recorded in the Books of Accounts.

Note No.52 Corporate Social Responsibility

- (a) Amount required to be spent by the Company during the year 2022-23 is Rs.20,79,300.
 (b) Amount of expenditure incurred - NIL.
 (c) Shortfall at the end of the year - Rs.39,18,225.
 (d) Total previous year shortfall - Rs.18,38,925.
 (e) Reasons for shortfall - could not identify any good cause project.
 (f) Nature of CSR activity - NIL.
 (g) Details of Related Party transactions - NIL.
 (h) Where the provision made for any contractual obligation - The Company has made provision for CSR of Rs.39,18,225, shall spend the same in the year 2023-24 after identifying the good projects.

Note No.53 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto Currency or Virtual Currency during the Financial Year.



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Mahathi Infra Services Private Limited

Notes and other explanatory information to Financial Statements for the year ended March 31, 2023

Note No.54 Disclosures required under Section 22 of MSMED Act 2006 under the Chapter on Delayed Payments to Micro and Small Enterprises

Particulars	Rs.	
	As at March 31, 2023	As at March 31, 2022
Amount remaining unpaid to micro, small and medium enterprises at the end of the year		
Principal Amount	63,05,271	1,32,62,062
Interest thereon	-	-
Total	63,05,271	1,32,62,062

Note: The Company has not received any claim for overdue interest from micro, small and medium enterprises during the reporting period.

Note No.55 Earnings Per Share (EPS)

Particulars	Rs.	
	For the year March 31, 2023	For the year March 31, 2022
Total Operations for the year		
Profit / (Loss) after Tax	4,40,92,109	5,05,10,379
Weighted average number of Equity Shares for Basic EPS	3,00,000	3,00,000
Earnings Per Equity Share	147	168

Note No.56

Previous year figures are regrouped wherever necessary to confirm with current year classification.

For Naresh Chand Agarwal & Co.

Chartered Accountants

Firm Reg. No.006686S

Naresh Agarwal

Proprietor

Membership No.028310

Place: Hyderabad

Date: September 19, 2023

For and on behalf of the Board

Mahathi Infra Services Private Limited

Y Kalyan Swaroop

Director & CEO

DIN - 06380842

Y Umamaheswari

Director

DIN - 03188305

