



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED

Report on the Audit of Financial statements

Opinion

We have audited the accompanying Financial statements of **B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IND AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial statements under the provisions of the Companies Act, 2013 and the Rules issued 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.





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

The Company's Board of Directors/ management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

When we read such other information as and when made available to us and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

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 Companies Act, 2013 ("the Act") with respect to the preparation of these Financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IND AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. 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/Management are responsible for overseeing the Company's financial reporting process.

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 standalone financial statements.

As part of an audit in accordance with SAs, the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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 system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.





4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure I" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable





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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss (including the Other Comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
- (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) In view of notification of ministry of corporate affairs dated 13th June 2017, read with notification no. GSR 464E) dated 5th June 2015, clause (i) of section 143(3) of the Companies Act in respect of internal financial control is not applicable to the Company during the year.
- (g) Being a private Limited Company, the provisions of Section 197 read with schedule V to the Companies Act, 2013 with regard to managerial remuneration paid and provided are not applicable to the Company.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.





APAS & CO LLP
CHARTERED ACCOUNTANTS

606, 6TH FLOOR, PP CITY CENTRE
ROAD NO. 44, PITAMPURA
DELHI - 110034
TEL.: 011-49058720
E-MAIL: apas.delhi@gmail.com

- iii. There has been no delay in transferring amounts, required to be transferred during the year, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has neither declared dividend nor paid any dividend during the year.

For APAS & CO LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

Rajeev Ranjan

(CA Rajeev Ranjan)
PARTNER

M No. 535395

UDIN:23535395BGTXAF8063

PLACE: Delhi
DATED: 14.07.2023





ANNEXURE- I TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The company has maintained proper records showing full particulars of intangible assets.
 - b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification/ material discrepancies were noticed on such verification which have been properly dealt with in the books of account. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
 - c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. For properties where the Company is a lessee and the lease agreements are duly executed are in favour of the Company.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - e) Based on audit procedures performed and the representation obtained from the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.





- ii. a) The company does not hold any inventory. Accordingly, reporting under clause 3(ii)-(a) of the Order is not applicable to the company.

b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. The Company, during the year, has not made investment, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Therefore, the provisions of clause 3(iii)(a) to 3(iii)(f) of the Order are not applicable.
- iv. Based on audit procedures performed and the representation obtained from the management, the company has not granted any loans or provided any guarantees, or given any security or made any investments requiring compliance with provisions of section 185 and 186 of the Companies Act. Accordingly, provisions of clause 3(iv) are not applicable to the Company.
- v. According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/business activity. Accordingly, reporting under clause 3(vi) of the Order is not applicable.
- vii. a) As per information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, cess and any other statutory dues with the appropriate authorities. As informed to us there are no outstanding undisputed statutory dues in arrears as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

b) We have been informed that there are no unpaid disputed demands are outstanding in respect of Income Tax, Sales Tax, Service Tax, Goods and services tax, Custom Duty, Excise Duty, VAT or Cess.
- viii. Based on our audit procedures and on the basis of information and explanations given to us by the management, there were no transactions relating to previously





unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. a) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any bank or financial institution or government or any other lender during the year. The Company did not have any outstanding debentures during the year.

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

c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and there has been no utilisation during the current year of the term loans obtained by the Company during any previous years. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

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

e) The Company does not have any subsidiaries, joint ventures or associate companies and therefore the clause 3(ix)(e) and 3(ix)(f) is not applicable.

x. a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans during the year. Accordingly, the provisions of clause 3 (x) of the Order are not applicable to the Company and hence not commented upon.

b) The company has not made preferential allotment/private placement of shares or fully or partly or optionally convertible debentures during the year covered under the provisions of Section 42 and 62 of Companies Act 2013 during the year under review.

xi. a) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the company and no material fraud on the Company has been noticed or reported during the year.

b) We report that 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.

c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

- xii. The Company is not a Nidhi company and therefore clause 3(xii) of the Order related to such companies is not applicable to the Company.
- xiii. According to information and explanations given to us, we are of the opinion that all related party transactions are in compliance with the Section 177 and 188 of Companies Act, 2013. Necessary disclosures have been made in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company is not required to have an internal audit system under section 138 of the Act and consequently, does not have an internal audit system. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash loss in the current as well as the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our 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.





APAS & CO LLP
CHARTERED ACCOUNTANTS

606, 6TH FLOOR, PP CITY CENTRE
ROAD NO. 44, PITAMPURA
DELHI - 110034
TEL.: 011-49058720
E-MAIL: apas.delhi@gmail.com

- xx. The Company is not required to spend any amount on corporate social responsibility under section 135 of the Companies Act. Therefore, the provisions of clause 3(xx) of the Order are not applicable.
- xxi. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report

For APAS & Co LLP
CHARTERED ACCOUNTANTS
Firm Regn No. 000340C/C400308

PLACE: Delhi
DATED: 14.07.2023



Rajeev Ranjan
(CA Rajeev Ranjan)
PARTNER
M No. 535395
UDIN: 23535395BGT XAF8063

B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2023

	Notes No	As at 31 March 2023 (Rs.'Lakhs)	As at 31 March 2022 (Rs.'Lakhs)
ASSETS			
Non-current assets			
Property, plant and equipment	3	1920.09	2001.19
Capital work in progress	3	61.80	61.80
Intangible assets	4	0.00	0.16
Financial assets			
Other financial assets	5.1	0.94	0.94
		<u>1982.83</u>	<u>2064.09</u>
Current assets			
Financial assets			
(i) Trade receivables	6.1	47.78	50.29
(ii) Cash and cash equivalents	6.2	39.87	20.90
(iii) Other balances with banks	6.3	0.00	1.30
(iv) Other financial assets	6.4	0.00	5.54
Current tax assets (Net)	7	27.39	26.36
Other current assets	8	9.56	33.78
		<u>124.60</u>	<u>138.17</u>
Total Assets		<u>2107.43</u>	<u>2202.26</u>
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	1397.23	1397.23
Other equity	10	319.81	204.82
		<u>1717.04</u>	<u>1602.05</u>
Liabilities			
Non-current liabilities			
Provisions	11	7.72	7.66
Other non-current liabilities	12	207.89	218.84
		<u>215.61</u>	<u>226.50</u>
Current liabilities			
Financial liabilities			
(i) Borrowings	13.1	100.00	300.00
(ii) Trade payables	13.2		
- dues of micro and small enterprises		0.11	0.11
- dues of creditors other than micro and small enterprises		3.55	4.76
(iii) Other financial liabilities	13.3	55.13	52.09
Other current liabilities	14	15.56	16.65
Provisions	15	0.43	0.10
		<u>174.78</u>	<u>373.71</u>
Total Equity and Liabilities		<u>2107.43</u>	<u>2202.26</u>
Summary of significant accounting policies	2		
Contingent liabilities, commitments and litigations	22		
Other notes on accounts	23		

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

As per our report of even date

For APAS & CO LLP

Chartered Accountants

ICAI Registration No.: 000340C/C400308

Rajeev Ranjan

Rajeev Ranjan

Partner

Membership No.: 535395

Place: New Delhi

Date: July 14, 2023



For and on behalf of Board of Directors

Maneeesh Mansingka

Maneeesh Mansingka

Director (DIN: 00031476)

Gaurav Jain

Gaurav Jain

Chief Financial Officer

Abhishek Singhania

Abhishek Singhania

Director (DIN: 00087844)

Swati Srivastava

Swati Srivastava

Company Secretary-M.No.: ACS-48654



B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

	Note No	Year ended 31 March 2023 (Rs.'Lakhs)	Year ended 31 March 2022 (Rs.'Lakhs)
I Income			
Revenue from operations	16	287.06	282.89
Other income	17	14.50	58.64
Total Income		301.56	341.53
II Expenses			
Employee benefits expense	18	30.06	34.12
Finance costs	19	19.68	50.18
Depreciation and amortization expenses	20	85.51	85.77
Other expenses	21	51.28	63.65
Total Expenses		186.53	233.72
III Profit/ (loss) before exceptional items and tax		115.03	107.81
Exceptional items		0.00	0.00
IV Profit/ (loss) before tax		115.03	107.81
V Tax expenses			
Current tax		0.00	0.00
Adjustment of tax relating to earlier years		0.00	0.35
Income tax expense		0.00	0.35
VI Profit/ (loss) for the year from continuing operations		115.03	107.46
Profit / (loss) for the year from discontinued operations		-0.04	-0.09
VII Profit/ (loss) for the year		114.99	107.37
VIII Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent year			
i) Re-measurement gains/ (losses) on defined benefit plans		0.00	0.48
ii) Income tax effect [(expense)/ income]		0.00	0.00
Other comprehensive income for the year, net of tax		0.00	0.48
IX Total comprehensive income/ (loss) for the year, net of tax		114.99	107.85
X Earnings per equity share (nominal value of share Rs.10/-)	23		
For continuing operations			
Basic (Rs.)		0.82	0.77
Diluted (Rs.)		0.82	0.77
For discontinued operations			
Basic (Rs.)		(0.00)	(0.00)
Diluted (Rs.)		(0.00)	(0.00)
For continuing and discontinued operations			
Basic (Rs.)		0.82	0.77
Diluted (Rs.)		0.82	0.77
Summary of significant accounting policies	2		
Contingent liabilities, commitments and litigations	22		
Other notes on accounts	23		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For APAS & CO LLP
Chartered Accountants
ICAI Registration No.: 000340C/C400308

Rajeev Ranjan
Rajeev Ranjan
Partner
Membership No.: 535395
Place: New Delhi
Date: July 14, 2023



For and on behalf of Board of Directors

Maneeesh Mansingka
Maneeesh Mansingka
Director (DIN: 00031476)

Gaurav Jain
Gaurav Jain
Chief Financial Officer

Abhishek Singhania
Abhishek Singhania
Director (DIN: 00087844)

Swati Srivastava
Swati Srivastava
Company Secretary-M.No.:ACS-48654



B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	As at 31 March 2023 (Rs.'Lakhs)	As at 31 March 2022 (Rs.'Lakhs)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) Before Tax	114.99	107.37
Adjustment for:		
Depreciation and amortization expenses	85.51	85.77
Interest income	-0.58	-1.43
Interest expense	19.68	44.13
Loss on disposal of fixed assets	0.00	1.25
(Profit) on disposal of land	0.00	-41.49
Bank Charges	0.02	0.01
Operating profit before working capital changes	219.62	195.61
Adjustment for		
Increase/(Decrease) Other Long Term Liabilities	-10.95	-10.92
Increase/(Decrease) Long Term Provisions	0.06	-0.04
Increase/(Decrease) Trade Payables	-1.20	0.87
Increase/(Decrease) Other Current Liabilities	-1.09	-0.42
Increase/(Decrease) Other Current Financial Liabilities	3.03	-8.21
Increase/(Decrease) in Short Term Provisions	0.33	0.00
(Increase)/Decrease in Other Non Current Assets	0.00	10.00
(Increase)/Decrease in Trade Receivables	2.51	-12.06
(Increase)/Decrease in Other Current Assets	1.78	-0.49
(Increase)/Decrease in Other Current Financial Assets	5.54	-5.29
Cash generated from/(used in) operations	219.63	169.05
Less: Income Tax paid (net of TDS and refunds)	21.42	22.35
Net cash flow from/(used in) operating activities	241.05	191.40
B. Cash Flow from investing activities		
Purchase of fixed assets including capital work in progress	-4.25	-2.76
Sale of fixed assets	0.00	160.56
Advances against sale of land received / (adjusted)	0.00	-150.00
Proceeds from fixed deposits with bank (net)	1.87	86.68
Net Cash from/(used in) investing activities	-2.38	94.48
C. Cash Flow from Financing activities		
Proceeds from short term borrowings (net of repayment)	0.00	300.00
Repayment of long term borrowings	-200.00	-597.97
Finance costs	-19.70	-44.14
Net cash from/(used) in financing activities	-219.70	-342.11
Net increase or (decrease) in cash or cash equivalents(A+B+C)	18.97	-56.23
Cash and cash equivalents as at the beginning of the year	20.90	77.13
Cash and cash equivalents at the end of the year	39.87	20.90

Notes :

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".



Swati



[Signature]

B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

PARTICULARS	As at 31 March 2023 (Rs.'Lakhs)	As at 31 March 2022 (Rs.'Lakhs)
2 Components of cash and bank balances		
Cash on hand	0.26	0.28
Balance with banks:		
Current accounts	29.54	20.62
Fixed deposits accounts with original maturity less than 3 months	10.07	0.00
	<u>39.87</u>	<u>20.90</u>
Effect of exchange differences on cash and cash equivalents held in foreign currency	0.00	0.00
Total cash and bank balances at the end of the year (Note-6.2)	<u>39.87</u>	<u>20.90</u>

As per our report of even date

For APAS & CO LLP
Chartered Accountants
ICAI Registration No.: 000340C/C400308

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No.: 535395
Place: New Delhi
Date: July 14, 2023



Maneesh Mansingka
Director (DIN: 00031476)

Gaurav Jain
Gaurav Jain
Chief Financial Officer

For and on behalf of Board of Directors

Abhishek Singhania
Abhishek Singhania
Director (DIN: 00087844)

Swati Srivastava
Swati Srivastava
Company Secretary-M.No.:ACS-48654

B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A) Equity Share Capital

Particulars	Nos.	(Rs.'Lakhs)
As at March 31, 2021	1,39,72,300	1397.23
Add: Change in equity share capital during the year	-	0.00
As at March 31, 2022	1,39,72,300	1397.23
Add: Change in equity share capital during the year	-	0.00
As at March 31, 2023	1,39,72,300	1397.23

B) Other Equity

Particulars	Reserves & Surplus		Total
	Securities Premium	Retained Earnings	
As at March 31, 2021	414.45	-317.48	96.97
Net profit/ (loss) for the year	0.00	107.37	107.37
Other comprehensive income for the year			
IndAS 116 adjustments	0.00	0.00	0.00
Re-measurement gains/ (losses) on defined benefit plans (net of tax)	0.00	0.48	0.48
As at March 31, 2022	414.45	-209.63	204.82
Net profit/ (loss) for the year	0.00	114.99	114.99
Other comprehensive income for the year			
Re-measurement gains/ (losses) on defined benefit plans (net of tax)	0.00	0.00	0.00
As at March 31, 2023	414.45	-94.64	319.81

Summary of significant accounting policies 2
Contingent liabilities, commitments and litigations 22
Other notes on accounts 23

The accompanying notes are an integral part of the financial statements.
As per our report of even date

For APAS & CO LLP
Chartered Accountants
ICAI Registration No.: 000340C/C400308


Rajeev Ranjan
Partner
Membership No.: 535395
Place: New Delhi
Date: July 14, 2023

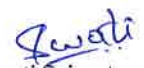


For and on behalf of Board of Directors


Maneeesh Mansingka
Director (DIN: 00031476)


Gaurav Jain
Chief Financial Officer


Abhishek Singhania
Director (DIN: 00087844)


Swati Srivastava
Company Secretary-M.No.:ACS-48654



BGK INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

1 CORPORATE INFORMATION

B.G.K. Infrastructure Developers Private Limited ('the Company') is a Private Limited Company domiciled in India and incorporated on 27th December, 2007 under the provisions of the Companies Act, 1956. The Company is primarily engaged in the business of construction, development, acquisition, establishment and maintenance of warehouses and godowns.

2 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of the standalone financial statement. These policies have been consistently applied to all the years presented unless otherwise stated.

2.01 Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under Companies (Indian Accounting Standards) Rules, 2015. For all periods including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The financial statements were authorised for issue by the Company's Board of Directors on July 14, 2023.

2.02 Basis of preparation of financial statements

The financial statements have been prepared on historical cost basis, except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in accounting policies subsequently.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions that affect the reported balance of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statements and the reported amount of income and expense for the period. Estimates and underlying assumptions are reviewed on ongoing basis. Revision of accounting estimates are recognised in the period in which the estimates are revised and future period affected.

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

2.03 Current versus non-current classification

The Company presents assets and liabilities in the financial statement with current / non-current classification.

An asset is treated as current when it is:

- (a) expected to be realized or intended to be sold or consumed in normal operating cycle
- (b) held primarily for purpose of trading
- (c) expected to be realized within twelve months after the reporting period, or
- (d) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- (a) It is expected to be settled in normal operating cycle
- (b) It is held primarily for purpose of trading
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) 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.

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



Swati



2.04 Property, plant and equipment

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. For qualifying assets, borrowing costs are capitalised in accordance with Ind AS 23 - Borrowing costs. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment are capitalised at costs relating to the acquisition and installation (net of Cenvat, VAT and GST credits wherever applicable) and include finance cost on borrowed funds attributable to acquisition of qualifying fixed assets for the period up to the date when the asset is ready for its intended use, and adjustments arising from foreign exchange differences arising on foreign currency borrowings to the extent they are regarded as an adjustment to interest costs. Other incidental expenditure attributable to bringing the fixed assets to their working condition for intended use are capitalised. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation is recognised so as to write-off the cost or valuation of assets (other than properties under construction) less their residual values over their useful lives, using the Straight-Line Method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

When significant parts of plant and equipment are to be replaced at intervals, the Company depreciates them separately based on their respective useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit and loss as incurred.

The estimated useful life considered for the assets are as under:

Assets	Useful life (in years)
Leasehold Land	95
Buildings	30-60
Roads	5
Plant and Machinery	15
Furniture and Fittings	10
Vehicles	10
Computers	3
Electrical Installations	10
Office Equipment	5
Fire Fighting System	15

Components relevant to fixed assets, where significant, are separately depreciated on straight line basis in terms of their life span assessed by technical evaluation in item specified context.

Leasehold land are depreciated on straight line basis over the unexpired period of their respective lease period of 95 years.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.05 Intangible assets

Intangible assets including software licenses of enduring nature and contractual rights acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible assets with finite lives are amortized over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognised.

Intangible assets with finite useful life are amortized on a straight line basis over their estimated useful life of 4 years.



Swati



2.06 Financial Instruments

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

i) Financial Assets

The Company classifies its financial assets in the following measurement categories:

- (a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit & loss).
- (b) Those measured at amortised cost.

Initial recognition and measurement

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

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- (a) Debt instruments at amortized cost
- (b) Debt instruments at fair value through other comprehensive income (FVTOCI)
- (c) Debt instruments at fair value through profit and loss (FVTPL)
- (d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)
- (e) Equity instruments measured at fair value through profit and loss (FVTPL)

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income). For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for equity instruments at FVTOCI.

Debt instruments at amortized cost

A Debt instrument is measured at amortized cost if both the following conditions are met:

- (i) **Business Model Test:** The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- (ii) **Cashflow Characteristics Test:** Contractual terms of asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance income in statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss. This category generally applies to trade, other receivables, loans and other financial assets.

Debt instruments at fair value through OCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- (i) **Business Model Test:** The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets, and
- (ii) **Cashflow Characteristics Test:** The asset's contractual cash flows represent SPPI.

Debt instrument included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to statement of profit & loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method



Swati



2

Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Equity investments of other entities

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

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

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of group of similar financial assets) is primarily derecognised when:

- (a) The right to receive cash flows from the assets have expired, or
- (b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement and either:
 - (i) the Company has transferred substantially all the risks and rewards of the asset, or
 - (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

Impairment of financial assets

In accordance with IND AS 109, the Company applies expected credit losses (ECL) model for measurement and recognition of impairment loss on the following financial asset and credit risk exposure:

- (a) Financial assets measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance;
- (b) Financial assets measured at fair value through other comprehensive income(FVTOCI);
- (c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18
- (d) Financial guarantee contracts which are not measured at FVTPL

The Company follows "simplified approach" for recognition of impairment loss allowance on:

- (a) Trade receivables or contract revenue receivables;
- (b) All lease receivables resulting from the transactions within the scope of IND AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:



Swati



(a) **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(b) **Debt instruments measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

ii) Financial liabilities:

Initial recognition and measurement

Financial liabilities are classified at initial recognition as financial liabilities at fair value through profit or loss, loans and borrowings, and payables, net of directly attributable transaction costs.

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

The Company's financial liabilities include trade and other payables.

Subsequent measurement

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

Trade Payables

These amounts represents liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 120 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at fair value and subsequently measured at amortized cost using EIR method.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in statement of profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

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

Derecognition

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

Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for :

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in statement of profit and loss.
FVTPL	Amortised cost	Fair value at reclassification date become its new gross carrying amount. EIR is calculated based on the new gross carrying amount.



Swati



Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
Original classification	Revised classification	Accounting treatment
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to statement of profit and loss at the reclassification date.

Offsetting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.07 Taxes

Tax expense for the year comprises of direct tax and indirect tax.

Direct Taxes

a) Current Tax

- (i) Current income tax, assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in India as per Income Computation and Disclosure Standards (ICDS) where the Company operates and generates taxable income.
- (ii) Current income tax relating to item recognized outside the statement of profit and loss is recognized outside profit or loss (either in other comprehensive income or equity). Current tax items are recognized in correlation to the underlying transactions either in statement of profit and loss or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

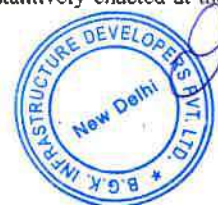
- (a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- (b) In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



Swati



Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or direct in equity.

Deferred Tax includes Minimum Alternate Tax (MAT) recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e. the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Indirect Taxes

Goods and Service Tax has been accounted for in respect of the goods cleared. The Company is providing Goods and Service tax liability in respect of finished goods. GST has been also accounted for in respect of services rendered.(w.e.f. 1st July, 2017 GST has been implemented. All the taxes like Excise Duty, Value Added Tax, etc. are subsumed in Goods and Service Tax.)

2.08 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Amounts disclosed are net of returns, trade discounts, rebates and amount collected on behalf of third

The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is acting as a principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The specific recognition criteria described below must also be met before revenue is recognized:

a) Sale of goods

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

The Company considers, whether there are other promises in the contract in which their are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company allocates a portion of the transaction price to different performance obligations goods bases on its relative standalone prices and also considers the following:-

i) Variable Consideration:

The Company recognizes revenue from the sale of goods measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(ii) Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle. In respect of long term contracts, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance).

b) Sale of services

Revenue from Clearing and Forwarding services are recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists no significant uncertainty with regard to collection of the same. The Company collects goods and service tax (GST) on behalf of the Government and, therefore, these are not economic benefits flowing to the Company and hence are excluded from revenue.



Swati



revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

i) Variable Consideration:

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of electronics equipment provide customers with a right of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

ii) Contract Assets:

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

A 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).

c) Warehouse Income

Warehouse income is recognised to the extent due under the terms of lease or agreements / arrangements entered with the concerned parties and there exists no significant uncertainty with regard to collection of the same.

d) Interest

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rates.

2.09 Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and the sale is considered highly probable. Such non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Any expected loss is recognized immediately in the statement of profit and loss.

The criteria for held for sale classification is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold. The Company treats sale of the asset to be highly probable when:

- i) The appropriate level of management is committed to a plan to sell the asset
- ii) An active programme to locate a buyer and complete the plan has been initiated (if applicable)
- iii) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value
- iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn

The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition and the assets must have actively marketed for sale at a price that is reasonable in relation to its current fair value. Actions required to complete the sale should indicate that it is unlikely that significant changes to the plan to sale these assets will be made. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized. Assets and liabilities classified as held for sale are presented separately as current items in the balance sheet.



Swati



2.10 Retirement and other Employee benefits

Short-term employee benefits and defined contribution plans

All employee benefits payable/ available within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the Statement of Profit and Loss in the period in which the employee renders the related services.

Provident fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity (Unfunded)

Gratuity is a defined benefit scheme. Since the Company has only 2 (two) employees on its payroll and the Indian Accounting Standard (Ind AS) 19 encourages, but does not require, an entity to involve a qualified actuary in the measurement of all material post-employment benefit obligations, the Gratuity Liability is estimated by the Company without involving a qualified actuary at the end of the reporting period.

Compensated Absences

Accumulated leave, which is expected to be utilised within next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Since the Company has only 2 (two) employees on its payroll and the Indian Accounting Standard (Ind AS) 19 encourages, but does not require, an entity to involve a qualified actuary in the measurement of all material post-employment benefit obligations, the Gratuity Liability is estimated by the Company without involving a qualified actuary at the end of the reporting period.

2.11 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company after adjusting impact of dilution shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

2.12 Borrowing Costs

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are recognized as expense in the period in which they occur.

Borrowing cost includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of Profit & Loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost.

2.13 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 unit's (CGU) fair value less costs of disposal and its value in use. 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 Company's 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 fair value less costs of disposal, 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 including impairment on inventories, are recognized in the statement of profit and loss. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

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 Company 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 and loss.

2.14 Segment accounting

Based on "Management Approach" as defined in Ind AS 108- Operating Segments, the executive Management Committee evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

2.15 Foreign currencies

The Company's financial statements are presented in Indian rupee (INR) which is also the Company's functional and presentation currency. Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate prevailing at the date of the transaction.

Measurement of foreign currency items at the balance sheet date

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the statement of profit and loss in the period in which they arise.

2.16 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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.



Swati



(a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and 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 over the shorter of the lease term and the estimated useful lives of the building (i.e. 30 and 60 years)

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. Refer to the accounting policies in section 'Impairment of non-financial assets'.

(b) 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 (including in substance 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 (unless they are incurred to produce inventories) 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 remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(c) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). 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.

Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. 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.

2.17 Government Grants

Government Grants are recognized at their fair value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.



Swati



N

2.18 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

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:

- (i) In the principal market for asset or liability, or
- (ii) 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 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 are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to 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.

2.19 Estimates and assumptions

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

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements.

a) Revenue from contracts with customers

The Company applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:



Swati



Determining method to estimate variable consideration and assessing the constraint

In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled. The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for revenue from operation, given the large number of customer contracts that have similar characteristics. Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

a) Gratuity benefit

The cost of defined benefit plans (i.e. Gratuity benefit) is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries. Further details about the assumptions used, including a sensitivity

b) Fair value measurement of financial instrument

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

c) Impairment of Financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

d) 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 assets recoverable amount is the higher of an asset's CGU'S fair value less cost of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's 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.

that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, or other fair value indicators.

(i) COVID-19 Impact on Estimates, Judgements , Revenue & Financial instruments

i) Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):-

The Company has assessed the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Receivables, Inventories and other assets / liabilities. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of Information. As on current date, the Company has concluded that the Impact of COVID - 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties In future periods, if any. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.



Swati



ii) **Loss allowance for receivables and unbilled revenues:-**

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID -19.

iii) **Revenue from Operations:-**

The Company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to render services which may require revision of estimations of costs to complete the contract because of additional efforts; (ii) onerous obligations; (iii) penalties relating to breaches of service level agreements, and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

2.21 Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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

2.22 Cash and Cash Equivalents

Cash and cash equivalents 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 insignificant risk of changes in value.

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

2.23 Standards issued but not effective

There are no standards that are issued but not yet effective on March 31, 2023



B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2023

3 Property, plant and equipments

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT	
	As at April 1, 2022 (Rs.'Lakhs)	Additions (Rs.'Lakhs)	Disposal / Adjustments (Rs.'Lakhs)	As at March 31, 2023 (Rs.'Lakhs)	As at April 1, 2022 (Rs.'Lakhs)	For the Year (Rs.'Lakhs)	Disposal / Adjustments (Rs.'Lakhs)	As at March 31, 2023 (Rs.'Lakhs)	As at March 31, 2023 (Rs.'Lakhs)	As at March 31, 2022 (Rs.'Lakhs)
1 Land leasehold	290.82	0.00	0.00	290.82	36.47	3.06	0.00	39.53	251.29	254.35
2 Warehouse buildings	2095.79	0.00	0.00	2095.79	480.68	64.85	0.00	545.53	1550.26	1615.11
3 Roads	159.93	0.00	0.00	159.93	151.93	0.00	0.00	151.93	8.00	8.00
4 Plant and machinery	113.75	0.00	0.00	113.75	53.11	7.20	0.00	60.31	53.44	60.64
5 Furniture and fittings	0.74	0.09	0.00	0.83	0.39	0.08	0.00	0.47	0.36	0.35
6 Vehicles	0.55	0.00	0.00	0.55	0.40	0.05	0.00	0.45	0.10	0.15
7 Computers	3.91	0.59	0.00	4.49	2.27	0.71	0.00	2.98	1.51	1.64
8 Electrical Installations	33.16	3.57	0.00	36.74	23.68	3.22	0.00	26.90	9.84	9.48
9 Office Equipments	4.68	0.00	0.00	4.68	3.63	0.21	0.00	3.84	0.84	1.05
10 Fire fighting system	94.19	0.00	0.00	94.19	43.77	5.97	0.00	49.74	44.45	50.42
Total as at March 31, 2023	2797.52	4.25	0.00	2801.77	796.33	85.35	0.00	881.68	1920.09	2001.19
Total as at March 31, 2022	2797.96	2.76	3.20	2797.52	712.96	85.33	1.96	796.33	2001.19	2085.00
Capital work in progress										
Building under construction (refer note iv below)	52.75	0.00	0.00	52.75	0.00	0.00	0.00	0.00	52.75	52.75
Preoperative expenses (refer note v below)	9.05	0.00	0.00	9.05	0.00	0.00	0.00	0.00	9.05	9.05
Total as at March 31, 2023	61.80	0.00	0.00	61.80	0.00	0.00	0.00	0.00	61.80	61.80
Total as at March 31, 2022	61.80	0.00	0.00	61.80	0.00	0.00	0.00	0.00	61.80	61.80

Notes:-

- Depreciation has been provided on straight line method (SLM) on rates and manner as per schedule - II of the Company's Act, 2013. [refer accounting policies 2.04]
- Leasehold land with renewal rights has been classified as Property, Plant and Equipment and amortised over the period of lease on Straight Line basis.
- Impairment losses recognised in profit or loss in accordance with the Ind AS 36 are ₹ Nil (Previous year ₹ Nil)
- Capital work in progress includes building under construction with material cost (unsecured, considered good) of ₹ 52.75 Lakhs (Previous year ₹ 52.75 Lakhs)
- The amount of expenditure recognised in the carrying amount of an item of property, plant and equipment in the course of its construction are ₹ Nil (Previous year ₹ Nil)
- The amount of contractual commitments for the acquisition of Property, plant and equipment are ₹ Nil (previous year ₹ Nil) (refer note no: 22)
- Disclosure for Capital Work in Progress

CWIP ageing schedule:

As at March 31, 2023	Amount of CWIP/IAUD for a period of				(Rs.'Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
CWIP/IAUD					Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended	0.00	0.00	0.00	61.80	61.80
As at March 31, 2022					Total
CWIP/IAUD					Total
Projects in progress	0.00	0.00	0.00	0.00	0.00
Projects temporarily suspended	0.00	0.00	0.00	61.80	61.80

Note: CWIP consists of warehouse expansion work at Washim which is currently suspended.



Handwritten signature/initials.

B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

4 Intangible assets

Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT	
	As at April 1, 2022 (Rs.'Lakhs)	Additions (Rs.'Lakhs)	Disposal / Adjustments (Rs.'Lakhs)	As at March 31, 2023 (Rs.'Lakhs)	As at April 1, 2022 (Rs.'Lakhs)	For the Year (Rs.'Lakhs)	As at March 31, 2023 (Rs.'Lakhs)	As at March 31, 2022 (Rs.'Lakhs)
I Computer softwares	3.27	0.00	3.27	0.00	3.11	0.16	0.00	0.16
Total as at March 31, 2023	3.27	0.00	3.27	0.00	3.11	0.16	0.00	0.16
Total as at March 31, 2022	3.27	0.00	0.00	3.27	2.66	0.45	0.16	0.61

Notes: -

- (i) Computer Softwares with finite useful lives are amortized on a straight line basis over their estimated useful life of 4 years. [refer accounting policies 2.05]
(ii) The Company has not revalued any of its Intangible Assets in the current year as well as in previous year.

Impairment Charges

Refer accounting policy 2.05 for impairment and amortization of intangible assets.



B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

As at
31 March 2023
(Rs.'Lakhs)

As at
31 March 2022
(Rs.'Lakhs)

5 NON-CURRENT FINANCIAL ASSETS

5.1 OTHER NON-CURRENT FINANCIAL ASSETS

At amortised cost

(Unsecured, considered good)

Security deposits

0.94	0.94
0.94	0.94

Notes:

(i) Security deposits includes deposits with electricity and water departments.

6 CURRENT FINANCIAL ASSETS

6.1 TRADE RECEIVABLES

Trade receivables considered good - Secured

0.00

0.00

Trade receivables considered good - Unsecured

47.78

50.29

Trade Receivables which have significant increase in credit risk

0.00

0.00

Trade Receivables - credit impaired

0.00

0.00

Trade receivables (gross)

47.78

50.29

Less: Impairment allowance for trade receivables considered doubtful

0.00

0.00

47.78

50.29

Notes:

(i) Trade receivables are usually non-interest bearing and are on trade terms of 10 to 45 days.

(ii) No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Trade receivables due from firms or private companies respectively in which any director is a partner, a director or a member are as under:

Shree Shubham Logistics Ltd.

0.00	3.33
0.00	3.33

(iii) The movement in impairment allowance as per ECL model is as under:

Balance as at beginning of the year

0.00

0.00

Impairment allowance during the year

0.00

0.00

Balance as at end of the year

0.00

0.00

Trade receivable ageing schedule:

As at March 31, 2023

(Rs.'Lakhs)

Particulars	Not Due	Outstanding for following periods from the due dates of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables considered good	3.57	44.21	0.00	0.00	0.00	0.00	47.78
(ii) Undisputed Trade Receivables which have significant increase in credit	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade Receivables credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00

As at March 31, 2022

(Rs.'Lakhs)

Particulars	Not Due	Outstanding for following periods from the due dates of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables considered good	2.41	47.88	0.00	0.00	0.00	0.00	50.29
(ii) Undisputed Trade Receivables which have significant increase in	0.00	0.00	0.00	0.00	0.00	0.00	0.00



Swati



B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

	As at 31 March 2023 (Rs.'Lakhs)					As at 31 March 2022 (Rs.'Lakhs)				
(iii) Undisputed Trade Receivables credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed Trade Receivables which have significant increase in credit risk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade Receivables credit impaired	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

6.2 CASH AND CASH EQUIVALENTS

Balances with banks		
Current accounts	29.54	20.62
Fixed deposits accounts with original maturity less than 3 months	10.07	0.00
Cash on hand	0.26	0.28
	<u>39.87</u>	<u>20.90</u>

Note:

- There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.
- Depending on immediate cash requirements of the Company, the short term deposits for varying period upto 3 months were classified as cash and cash equivalent

6.3 OTHER BANK BALANCES

Fixed deposits pledged with bank against borrowings having a original maturity period of more than twelve months

0.00	1.30
<u>0.00</u>	<u>1.30</u>

Notes:

- The deposits maintained by the Company with banks comprises of time deposits made of varying periods between three months to twelve months and earn interest at the respective short term deposit rates.
- Fixed deposits with original maturity period of more than twelve months but remaining maturity of less than twelve months have been disclosed under other bank balances.

6.4 OTHER CURRENT FINANCIAL ASSETS

Unsecured, considered good, unless otherwise stated (at amortised cost)

Security deposits*	0.00	5.54
	<u>0.00</u>	<u>5.54</u>

Notes:

- * Security deposits includes deposits with Government and others.

7 CURRENT TAX ASSETS (NET)

Tax deducted at source (TDS)

27.39	26.36
<u>27.39</u>	<u>26.36</u>

8 OTHER CURRENT ASSETS

(Unsecured, considered good)

Income tax refund due	0.00	22.44
Others		
Prepaid expenses	1.57	1.88
Balance with Statutory / Government authorities	7.83	7.44
Other advances	0.16	2.02
	<u>9.56</u>	<u>33.78</u>

Notes:

- No amounts are due to directors or other officers of the Company or any of them either severally or jointly with any other person. No amounts are due to firms or private Companies respectively in which any director is a partner or a director or a member.
- Balance with Statutory / Government authorities are in respect of balance in GST account receivable.
- Other advances include outstanding balance in advance with staff and others.



B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

As at
31-Mar-23
(Rs.'Lakhs)

As at
31-Mar-22
(Rs.'Lakhs)

9 EQUITY SHARE CAPITAL

a) Authorized

150,00,000 equity shares of ₹ 10 each (previous year 150,00,000 equity shares of ₹ 10 each) 1500.00 1500.00

Issued, subscribed and fully paid up

1,39,72,300 equity shares of ₹ 10 each (previous year 1,39,72,300 equity shares of ₹ 10 1397.23 1397.23

b) Reconciliation of the shares outstanding at the beginning and at the end of the year

	March 31, 2023		March 31, 2022	
	No. of shares	(Rs.'Lakhs)	No. of shares	(Rs.'Lakhs)
At the beginning of the year	1,39,72,300	1397.23	1,39,72,300	1397.23
Add: Issued during the year	-	0.00	-	0.00
At the end of the year	1,39,72,300	1397.23	1,39,72,300	1397.23

c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10/- per share (March 31,2021: Rs.10/- per share). Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Dividend, if proposed by the Directors to Shareholders, is subject to approval by the members in Annual General Meeting (AGM).

d) Details of shareholders holding more than 5% shares in the Company is set out below (representing legal and beneficial ownership):

Name of Shareholders	March 31, 2023		March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
J. K. Cotton Limited (the Holding Company w.e.f. July 1, 2021*)	1,39,72,299	100.00	1,39,72,299	100.00

* M/s J. K. Cotton Limited has acquired the status of "the Holding Company" by holding 1,10,31,500 equity shares being 78.95% interest in the Company on July 1, 2021. The Holding Company has further acquired 6,10,561 equity shares and increase its interest in the Company to 83.32% on July 2, 2021. The Holding Company has finally acquired the status of 100% holding by acquiring balance 23,30,238 equity shares on July 14, 2021.

As per the 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 ownership of shares. However, Mr Abhishek Singhania is holding 1 equity share in his name as registered owner and nominee of J. K. Cotton Limited while beneficial ownership of such 1 equity share lies with J. K. Cotton Limited.

e) Shareholding of Promoters

Promoter Name	As at 31/03/2023		As at 31/03/2022		%age change during the year
	No. of Shares	%age holding	No. of Shares	%age holding	
Mr Abhishek Singhania (Nominee of M/s J. K. Cotton Limited)	1	0.00%	1	0.00%	0.00%
J. K. Cotton Limited	1,39,72,299	100.00%	1,39,72,299	100.00%	0.00%

e) Aggregate number of shares bought back, or issued as fully paid up pursuant to contract without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the date of Balance Sheet:

	As at 31-Mar-23 No. of shares	As at 31-Mar-22 No. of shares
Equity shares Fully paid-up pursuant to contract(s) without payment received in cash	Nil	Nil
Fully paid by way of bonus shares	Nil	Nil
Shares bought back	Nil	Nil



Swati



B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

	As at 31 March 2023 (Rs.'Lakhs)	As at 31 March 2022 (Rs.'Lakhs)
10 OTHER EQUITY		
Securities Premium	414.45	414.45
Retained Earnings	-94.64	-209.63
	<u>319.81</u>	<u>204.82</u>

Notes:

	Year ended 31 March 2023	Year ended 31 March 2022
a) Securities Premium		
Opening balance	414.45	414.45
Received during the year	0.00	0.00
	<u>414.45</u>	<u>414.45</u>
b) Retained Earnings		
Opening balance	-209.63	-317.48
Net profit/ (loss) for the year	114.99	107.37
Items of other comprehensive income recognised directly in retained earnings		
IndAS 116 adjustments	0.00	0.00
Re-measurement gains/ (losses) on defined benefit plans (net of tax)	0.00	0.48
	<u>-94.64</u>	<u>-209.63</u>

c) Nature and purpose of reserves

Security Premium

The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

Retained Earnings are profit the company has earned till date less transfer to General Reserve, dividend or other distribution or transaction with shareholders.



Swati



B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

	As at 31 March 2023 (Rs.'Lakhs)	As at 31 March 2022 (Rs.'Lakhs)
11 NON CURRENT PROVISIONS		
Provision for employee benefits		
Gratuity	6.61	6.41
Leave encashment	1.11	1.25
	<u>7.72</u>	<u>7.66</u>
12 OTHER NON-CURRENT LIABILITIES		
Deferred income	207.88	218.84
	<u>207.88</u>	<u>218.84</u>

13 CURRENT FINANCIAL LIABILITIES

13.1 SHORT TERM BORROWINGS

Unsecured (At amortised cost)

Repayable on Demand

From Related Parties	100.00	300.00
From Others	0.00	0.00
	<u>100.00</u>	<u>300.00</u>

Notes:

(i) The effective rate of interest on intercorporate loan is 10% per annum.

(ii) Amounts due to related parties are as under:

J K Cotton Limited	100.00	300.00
	<u>100.00</u>	<u>300.00</u>

(ii) There are no defaults in the repayment of borrowings and interest during the year.

13.2 TRADE PAYABLES

Total outstanding dues of micro and small enterprises	0.11	0.11
Total outstanding dues of creditors other than micro and small enterprises	3.55	4.76
	<u>3.66</u>	<u>4.87</u>

Notes:

* Trade payables include due to related parties Rs.Nil (previous year Rs.Nil)

* The amounts are unsecured and are usually paid within 60 days of recognition.

* Trade payables are usually non- interest bearing. In few cases ,where the trade payables are interest bearing, the interest is settled on quarterly basis.

* For terms and condition with related parties, refer to note no. 25(6)

(i) Information as required to be furnished as per section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) for the year ended March 31, 2023 is given below. This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(a)	Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act: -Principal -Interest	₹ 0.11 Lakhs Nil	₹ 0.11 Lakhs Nil
(b)	The amount of interest paid by the buyer in terms of section16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
(c)	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 MSMED Act.	Nil	Nil
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues 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	Nil	Nil

ii) The information in respect of party determined under the MSMED Act 2006, has been identified on the basis of information available with the Company.

iii) The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period are ₹ Nil (previous year ₹ Nil)



Swati



B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

As at
31 March 2023
(Rs.'Lakhs)

As at
31 March 2022
(Rs.'Lakhs)

Trade payable ageing schedule
As at March 31, 2023

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				Total
		< 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i. MSME	0.00	0.00	0.00	0.00	0.00	0.00
ii. Others	0.00	2.30	0.00	0.00	0.00	2.30
iii. Disputed dues-	0.00	0.00	0.11	0.00	0.00	0.11
iv. Disputed dues- Others	0.00	0.00	0.00	0.00	1.25	1.25

As at March 31, 2022

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				Total
		< 1 Year	1-2 Years	2-3 Years	More than 3 Years	
i. MSME	0.00	0.00	0.00	0.00	0.00	0.00
ii. Others	0.00	3.46	0.05	0.00	0.00	3.51
iii. Disputed dues-	0.00	0.11	0.00	0.00	0.00	0.11
iv. Disputed dues- Others	0.00	0.00	0.00	0.00	1.25	1.25

13.3 OTHER CURRENT FINANCIAL LIABILITIES

At amortised cost

Security deposits from customers	31.40	31.40
Others		
Employee benefit expenses	2.73	1.39
Other Payables*	21.00	19.30
	<u>55.13</u>	<u>52.09</u>

Notes:

* Other payables are in respect of audit fee, staff payments and other miscellaneous expenses.

14 OTHER CURRENT LIABILITIES

Others		
Statutory dues payable	4.61	5.73
Deferred income	10.95	10.92
	<u>15.56</u>	<u>16.65</u>

Notes:

(i) Statutory dues are in respect of TDS, GST, Provident Fund and ESI

15 CURRENT PROVISIONS

Provision for employee benefits		
Gratuity	0.00	0.08
Leave encashment	0.43	0.02
	<u>0.43</u>	<u>0.10</u>

Notes:

(i) Provisions are recognized for Gratuity and Leave encashment. The provisions are recognized on the basis of past events and probable settlements of the present obligations as a result of the past events, in accordance with Indian Accounting Standard-37 issued by the Institute of Chartered Accountants of India.

The movement of provision are as under:

At the beginning of the year		
Gratuity (Non Current ₹ 6.41 Lakhs)	6.49	5.79
Leave encashment (Non Current ₹ 1.25 Lakhs)	1.27	2.49
Arising during the year		
Gratuity	0.73	0.70
Leave encashment	0.36	0.64
Utilised during the year		
Gratuity	0.61	0.00
Leave encashment	0.09	1.86
Unused amount reversed		
Gratuity	0.00	0.00
Leave encashment	0.00	0.00
At the end of the year		
Gratuity (Non Current ₹ 6.61 Lakhs)	6.61	6.49
Leave encashment (Non Current ₹ 1.11 Lakhs)	1.54	1.27



Swati *A*

B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

	Year ended 31 March 2023 (Rs.'Lakhs)	Year ended 31 March 2022 (Rs.'Lakhs)
16 REVENUE FROM OPERATIONS		
Sale of services		
Warehouse rental and storage income*	287.06	282.70
Other receipts from warehousing operations**	0.00	0.19
	<u>287.06</u>	<u>282.89</u>

* Includes services rendered to associate company of ₹ 4.08 Lakhs (previous year ₹ 56.23 Lakhs)

** Includes services rendered to associate company of ₹ Nil (previous year ₹ 0.19 Lakhs)

17 OTHER INCOME

Interest received on financial assets carried at amortised cost:

On bank deposits	0.58	1.36
On income tax refund	3.00	4.84
Other non- operating income		
Subsidy income (refer note 23(3)(ii))	10.92	10.92
Gain on disposal of land	0.00	41.49
Miscellaneous income	0.00	0.03
	<u>14.50</u>	<u>58.64</u>

Above excludes other income pertaining to discontinued operations

18 EMPLOYEE BENEFITS EXPENSES

Salaries, wages, bonus, commission and other benefits	26.86	30.08
Contribution towards PF, Family Pension and ESI	1.90	2.18
Gratuity expense	0.73	1.18
Staff welfare expenses	0.57	0.68
	<u>30.06</u>	<u>34.12</u>

19 FINANCE COSTS

Interest Expense on

Financial liabilities measured at amortised cost

Interest expense*	19.68	44.13
Interest on security deposit	0.00	6.05
Others		
Bank charges	0.00	0.00
	<u>19.68</u>	<u>50.18</u>

* Includes ₹ 19.62 Lakhs (previous year ₹ 4.68 Lakhs) paid to Holding Company - M/s J. K. Cotton Limited

20 DEPRECIATION AND AMORTISATION EXPENSES

Depreciation of tangible assets	85.35	85.32
Amortization of intangible assets	0.16	0.45
	<u>85.51</u>	<u>85.77</u>



B.G.K. INFRASTRUCTURE DEVELOPERS PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

	Year ended 31 March 2023 (Rs.'Lakhs)	Year ended 31 March 2022 (Rs.'Lakhs)
21 OTHER EXPENSES		
Storage and commodity handling charges at warehouse	10.68	14.73
Office and warehouse rent	16.58	16.58
Rates and taxes	3.77	4.27
Repair and maintenance		
Others	2.85	3.66
Legal and professional charges	2.13	7.13
Travelling and conveyance	2.66	3.93
Watch and ward expenses	5.35	5.85
Communication expenses	0.39	0.61
Payment to auditor		
Audit fee	1.00	1.00
Certification fee	0.04	0.40
Electricity expenses	0.37	0.35
Insurance expenses	3.37	3.05
Loss on disposal of assets	0.00	1.25
Miscellaneous expenses	2.09	0.84
	51.28	63.65



B.G.K Infrastructure Developers Privatre Limited
Notes to financial statements for the year ended March 31, 2023

	As At 31 March, 2023 (Rs.'Lakhs)	As At 31 March, 2022 (Rs.'Lakhs)
22 COMMITMENTS AND CONTINGENCIES		
A Bank guarantees obtained from banks (Margin money ₹ Nil (March 31, 2022: ₹ Nil))	-	-
B Estimated amount of capital contracts remaining to be executed and not provided for (net of advances)	-	-
C Details of Leasing Arrangements (Company as Lessor)		
a) The Company has entered into a cancellable sub- lease agreement to sublet a property situated at New Port Area, Kakinada, East Godavari - 533007. The lease agreement was executed on 7th November, 2022. The said lease is for the purpose of enabling the Lessee to carry on its business and to use the Godown for Warehouse & Office and for any other commercial purpose connected with the Lessee's business.		
b) The Company has entered into operating lease agreement for warehouse buildings at Akola vide 2 (two) agreements dated 1st December, 2022 w.e.f. 1st December 2022 for 11 months ; at Yavatmal vide agreement dated 7th July, 2022 w.e.f. 1st November, 2022 for 11 months; and at Washim vide agreement dated 10th May, 2022 w.e.f. 10th May, 2022 for 11 months.		
c) The total rent recognised as income during the year is ₹ 269.86 lakhs (March 31, 2022: ₹ 257.05 Lakhs).		
d) The present value of minimum lease rentals receivable under cancellable and non- cancellable operating lease are as follows:		
	As At 31 March, 2023 (Rs.'Lakhs)	As At 31 March, 2022 (Rs.'Lakhs)
(i) not later than one year	140.09	126.31
(ii) later than one year and not later than five years	0.00	0.00
(iii) later than five years	0.00	0.00
Present value of minimum lease payments	<u>140.09</u>	<u>126.31</u>
e) Unearned finance income	Nil	Nil



Swati



Q

23 OTHER NOTES ON ACCOUNTS

1 In the opinion of the Board of Directors, assets are stated at realizable value in the ordinary course of business at least equal to the amount at which they are stated.

2 Leases

Company has not entered into any lease agreement for a period exceeding 12 months. Accordingly, the company has not recognised any Right of use (ROU) asset in respect of these lease agreements.

Rental expense recorded for short-term leases was ₹16.58 Lakhs for the year ended March 31, 2023.

3 (i) The Company is entitled to a Capital Subsidy of ₹297.39 Lakhs under Rural Godown Scheme as Grameen Bhandaran Yojna under the aegis of NABARD for construction of Rural Godowns which was extended upto FY 2013-14. The Company's godown situated at Akola, Yavatmal and Washim were entitled to capital subsidy under the aforesaid scheme. Accordingly, the Company has complied with all the formalities and an application were made with the prescribed authority through ICICI Bank Ltd and after successful inspection conducted by Joint Inspection Committee (JIC) comprising of officers from NABARD, ICICI Bank Ltd and Department of Marketing & Inspection (DMI) the final subsidy amount was approved by NABARD. A sum of ₹152.60 Lakhs as advance (50%) subsidy and the balance sum of ₹144.79 Lakhs as final (50%) subsidy was disbursed by NABARD to ICICI Bank on May 9, 2017 and Feb 22, 2018 respectively. Accordingly, the Company has recognised subsidy deposit and corresponding grant of ₹150.11 lakhs on Mar 31, 2017 and ₹147.28 Lakhs on Feb 22, 2018 respectively. ICICI Bank was holding such subsidy received towards the above projects of the Company in Subsidy Reserve Fund Account for adjustment of the above subsidy amount with the last instalments of credit facility granted for the respective projects, thereby reducing the tenure of loan. The bank has not charged interest on the facility amount to the extent of the subsidy amount released into ICICI Bank account from the date of receipt of subsidy amount. The subsidy component when received has not been treated as a prepayment and has not been attracted any prepayment penalty / charges. The company has complied with all the loan covenants of the bank and has continued with the above credit facility from bank for more than 5 years as a condition for adjustment of the said subsidy with the loan amount. The Company has prepaid the above banking facility to ICICI Bank Ltd on 11-Jun-21 and got the said total subsidy of ₹297.39 Lakhs adjusted with outstanding loan balance with the Bank.

(ii) In accordance with Ind AS 20 "Accounting for Government Grants and Disclosure of Government Assistance", the capital subsidy is recognised as an income in equal amounts over the expected useful life of the respective fixed asset to which such grant relates. The grant relating to such fixed assets is as under:

Nature of fixed assets	Amount of capital subsidy attributable (Rs.'Lakhs)
Land	28.65
Building	235.41
Roads	17.90
Plant & Machinery	7.19
Electric Installations	2.37
Fire Fighting system	5.86
Total	297.39

The above subsidy has been recognised to the statement of profit and loss on the basis of useful life of each asset as above. A subsidy of ₹ 10.92 Lakhs and ₹ 10.92 Lakhs has been recognised as grant income for the year ending on 31st March, 2022 and 31st March, 2023 respectively and deferred grant carried forward is ₹ 229.76 Lakhs (current portion: ₹ 10.92 Lakhs) as on 31st March, 2022 and ₹ 218.84 Lakhs (current portion: ₹ 10.95 Lakhs) as on 31st March, 2023.

4 During the year, the Company has capitalized the following expenses of revenue nature to the tangible fixed assets, being pre-operative expenses related to projects:

	As At 31 March, 2023 (Rs.'Lakhs)	As At 31 March, 2022 (Rs.'Lakhs)
Balance brought forward	9.05	9.05
Add : Expenses Incurred during the year	0.00	0.00
Balance carried forward	9.05	9.05



Swati



B.G.K Infrastructure Develoers Privatre Limited
Notes to financial statements for the year ended March 31, 2023

- 5 Disclosures pursuant to Ind AS - 19 "Employee Benefits" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are given below:

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognised as expense for the year is as under:

	Year Ended 31 March, 2023 (Rs.'Lakhs)	Year Ended 31 March, 2022 (Rs.'Lakhs)
Employer's Contribution towards Provident Fund (PF)	1.39	1.42
Employer's Contribution towards Family Pension Scheme (FPS)	0.39	0.58
Administration charges towards Provident Fund	0.10	0.12
Employer's Contribution towards Employee State Insurance (ESI)	0.02	0.06
Balance as per profit and loss statement	<u>1.90</u>	<u>2.18</u>

Defined Benefit Plan

Gratuity (Unfunded)

Since the Company has only 2 (two) employees on its payroll and the Indian Accounting Standard (Ind AS) 19 encourages, but does not require, an entity to involve a qualified actuary in the measurement of all material post-employment benefit obligations, the Gratuity Liability is estimated by the Company without involving a qualified actuary at the end of the reporting period.

6 Discontinued operations

During the year ended 31st March, 2021 the Company has discontinued the business of Cargo Handling Agent (CHA) services. Accordingly, the Company has disclosed the net results of "Cargo Handling Agent Services" as profit / (loss) from "Discontinued Operations" in accordance with IndAS 105.

The profit and loss from discontinued operations is disclosed as below:

	As At 31 March, 2023 (Rs.'Lakhs)	As At 31 March, 2022 (Rs.'Lakhs)
Other Income		
Interest received on bank deposits at amortised cost	0.00	0.07
Miscellaneous income	0.00	0.06
Total Income	<u>0.00</u>	<u>0.13</u>
Finance costs		
Bank charges	0.02	0.01
Other expenses		
Miscellaneous expenses / (Income)	0.02	0.21
Total Expenses	<u>0.03</u>	<u>0.22</u>
Net profit / (loss) from discontinued operations	<u>-0.03</u>	<u>-0.10</u>

7 Related party transactions

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are disclosed below:

A Names of related parties and description of relationship :

(i) The Holding Company:-

J. K. Cotton Limited (holding company w.e.f. 01-Jul-21) (refer note no: 9(d))

B Names of other related parties with whom transactions have taken place during the year:

(i) Enterprises over which KMP is able to exercise significant influence

Shree Shubham Logistics Limited



B.G.K Infrastructure Deevlopers Privatre Limited
Notes to financial statements for the year ended March 31, 2023

(ii) Key Management Personnel

Mr. Maneesh Mansingka - Director
Mr. Gaurav Jain - Chief Financial Officer
Ms. Neetika Gupta - Company Secretary w.e.f. 01-Jun-21 upto 31-Mar-22
Mr. Abhishek Singhania - Director w.e.f. 30-Jun-21
Mr. Sanjay Jain - Director w.e.f. 30-Jun-21
Ms. Akanksha Srivastava - Company Secretary w.e.f. 01-Oct-22 upto 31-Jan-23
Ms. Swati Srivastava - Company Secretary w.e.f. 10-May-23

	As At 31 March, 2023 (Rs.'Lakhs)	As At 31 March, 2022 (Rs.'Lakhs)
C Transactions during the year		
(i) Loans taken		
The Holding Company		
J. K. Cotton Limited	0.00	300.00
	<u>0.00</u>	<u>300.00</u>
(ii) Loan repaid		
The Holding Company		
J. K. Cotton Limited	200.00	0.00
	<u>200.00</u>	<u>0.00</u>
(iii) Service income (excluding GST) from:		
Enterprises over which KMP is able to exercise significant influence		
Shree Shubham Logistics Limited		
Warehouse rental and storage income	4.08	56.23
Fratelli Wines Private Limited		
Other receipts from warehousing operations	0.00	0.19
	<u>4.08</u>	<u>56.41</u>
(iv) Reimbursement of expenses paid on our behalf		
The Holding Company		
J. K. Cotton Limited		
Insurance charges	0.49	0.00
ROC fees	0.03	0.00
	<u>0.52</u>	<u>0.00</u>
(v) Interest paid		
The Holding Company		
J. K. Cotton Limited	19.62	4.68
	<u>19.62</u>	<u>4.68</u>
(vi) Salary Paid		
Key Management Personnel		
Ms. Neetika Gupta w.e.f June 1, 2021	0.00	2.36
Mr. Gaurav Jain	18.81	17.27
	<u>18.81</u>	<u>19.63</u>
(vii) Outstanding Balance Payable		
The Holding Company		
J. K. Cotton Limited	100.00	0.00
a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.		
b) All the liabilities for post retirement benefits being 'Gratuity' and 'Leave Encashment' are provided for the Company as a whole, the amount pertaining to Key management personnel are not included above.		



B.G.K Infrastructure Developers Private Limited
Notes to financial statements for the year ended March 31, 2023

8 The following table summarises movement in indebtedness as on the reporting date:

Changes in liabilities arising from financing activities

					(Rs.'Lakhs)
Particulars	As at April 1, 2022	Net Cashflow	Classified as current	Change in fair values	As at March 31, 2023
Non current borrowings					
Term loan from bank	0.00	0.00	0.00	0.00	0.00
Current borrowings					
Repayable on demand					
From related parties	300.00	-200.00	0.00	0.00	100.00
From others	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00
Total	300.00	-200.00	0.00	0.00	100.00

					(Rs.'Lakhs)
Particulars	As at April 1, 2021	Net Cashflow	Classified as current	Change in fair values	As at March 31, 2022
Non current borrowings					
Term loan from bank	670.95	-674.00	0.00	3.05	0.00
Current borrowings					
Repayable on demand					
From related parties	0.00	300.00	0.00	0.00	300.00
From others	224.40	-218.00	0.00	-6.40	0.00
Others	0.00	0.00	0.00	0.00	0.00
Total	895.35	-592.00	0.00	-3.35	300.00

9 Fair value measurements

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:

Financial instruments by category	Carrying Value		Fair Value	
	As At 31-Mar-23 (Rs.'Lakhs)	As At 31-Mar-22 (Rs.'Lakhs)	As At 31-Mar-23 (Rs.'Lakhs)	As At 31-Mar-22 (Rs.'Lakhs)
Financial assets at amortized cost				
Cash and bank balances	39.87	22.20	39.87	22.20
Other financial assets (current)	0.00	5.54	0.00	5.54
Other financial assets (non-current)	0.94	0.94	0.94	0.94
Trade receivables	47.78	50.29	47.78	50.29
	<u>88.59</u>	<u>78.96</u>	<u>88.59</u>	<u>78.96</u>
Financial Liabilities at amortized cost				
Trade payables	3.66	4.87	3.66	4.87
Borrowings (current)	100.00	300.00	100.00	300.00
Other financial liabilities (current)	55.13	52.09	55.13	52.09
	<u>158.79</u>	<u>356.96</u>	<u>158.79</u>	<u>356.96</u>

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. The following methods and assumptions were used to estimate the fair values:

- 1) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or the discount rate, the fair value of the equity instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.



Swati



B.G.K Infrastructure Developers Private Limited
Notes to financial statements for the year ended March 31, 2023

- 2) The fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at 31st March, 2023 was assessed to be insignificant.
- 3) Long-term receivables / payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- 4) The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at 31 March 2023, are as shown below:

Fair value hierarchy

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

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

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2023:

	Carrying Value (Rs.'Lakhs)	Fair Value		
		Level 1 (Rs.'Lakhs)	Level 2 (Rs.'Lakhs)	Level 3 (Rs.'Lakhs)
Assets carried at amortized cost for which fair value are disclosed				
Cash and bank balances	39.87	0.00	0.00	39.87
Other financial assets (non-current)	0.94	0.00	0.00	0.94
Trade receivables	47.78	0.00	0.00	47.78
	<u>88.59</u>	0.00	0.00	<u>88.59</u>
Liabilities carried at amortized cost for which fair value are disclosed				
Trade payables	3.66	0.00	0.00	3.66
Borrowings (current)	100.00	0.00	0.00	100.00
Other financial liabilities (current)	55.13	0.00	0.00	55.13
	<u>158.79</u>			<u>158.79</u>

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2022:

	Carrying Value	Fair Value		
	(Rs.'Lakhs)	Level 1 (Rs.'Lakhs)	Level 2 (Rs.'Lakhs)	Level 3 (Rs.'Lakhs)
Assets carried at amortized cost for which fair value are disclosed				
Cash and bank balances	22.20	0.00	0.00	22.20
Other financial assets (non-current)	0.94	0.00	0.00	0.94
Other financial assets (current)	5.54	0.00	0.00	5.54
Trade receivables	50.29	0.00	0.00	50.29
	<u>78.96</u>			<u>78.96</u>
Liabilities carried at amortized cost for which fair value are disclosed				
Trade payables	4.87	0.00	0.00	4.87
Borrowings (current)	300.00	0.00	0.00	300.00
Other financial liabilities (current)	52.09	0.00	0.00	52.09
	<u>356.96</u>			<u>356.96</u>

Note:

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



Swati



10 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that are derived directly from its operations.

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors. This process provides assurance to Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with Company policies and Company risk objective.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized as below:

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity price risk. Financial instruments affected by market risks include loans and borrowings, deposits, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at March 31, 2023. 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. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2023.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument 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 foreign currency). The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies.

Foreign currency risk sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rate, with all other variables held constant. The impact on the Company profit before tax is due to changes in the fair value of monetary assets and liabilities. Foreign currency exposures recognised by the Company that have not been hedged by a derivative instrument or otherwise are as

Currency	Currency Symbol	31 March, 2023		Impact on loss and equity Increase/ (Decrease)	
		Foreign Currency	Indian Rupees	1% increase	1% decrease
		(\$)	(Rs.'Lakhs)		
Other financial liabilities	US \$	-	-	-	-

Currency	Currency Symbol	31 March, 2022		Impact on loss and equity Increase/ (Decrease)	
		Foreign Currency	Indian Rupees	1% increase	1% decrease
		(\$)	(Rs.'Lakhs)		
Other financial liabilities	US \$	-	-	-	-

(b) Credit Risk

Credit Risk is the risk that the counter party will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade Receivables

Customer credit risk is managed by each business unit 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 scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. Out of the trade receivables, the Company has 4-5 customers that owed the Company ₹ 47.78 Lakhs and accounted for 100.00% (47.78 Lakhs ÷ 47.78 Lakhs) of the total trade receivables as on March 31, 2023 (March 31, 2022: ₹ 50.29 Lakhs and accounted for 100.00% (50.29 Lakhs ÷ 50.29 Lakhs))



Swati

B.G.K Infrastructure Developers Private Limited
Notes to financial statements for the year ended March 31, 2023

An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2023 is the carrying amounts. The Company's maximum exposure relating to financial is noted in liquidity table below. Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

	As At 31-Mar-23 (Rs.'Lakhs)	As At 31-Mar-22 (Rs.'Lakhs)
Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)		
Cash and cash equivalents	39.87	20.90
Other bank balances	0.00	1.30
Others non-current financial assets	0.94	0.94
Others current financial assets	0.00	5.54
	<u>40.81</u>	<u>28.67</u>
Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)		
Trade receivables (gross)	47.78	50.29
	<u>47.78</u>	<u>50.29</u>

Most of the customers are farmers and corporate clients of agricultural commodities and as per past experience, there has been no credit loss on account of customer's inability to pay i.e. there has been no material debts in past and therefore, no provision on this account has been considered. Provisions for expected delay in realization of trade receivables beyond contractual terms, the group has used a practical expedient by computing the expected credit loss allowance for trade receivables on a provision matrix.

The ageing analysis of trade receivables has been considered from the date the invoice falls due

Particulars	As At 31-Mar-23 (Rs.'Lakhs)	As At 31-Mar-22 (Rs.'Lakhs)
Within credit period	3.57	2.41
Less than 1 year	44.21	47.88
1 to 2 years	0.00	0.00
2 to 3 years	0.00	0.00
Over 3 years	0.00	0.00
Total trade receivables	<u>47.78</u>	<u>50.29</u>

Particulars	As At 31-Mar-22 (Rs.)	As At 31-Mar-21 (Rs.)
-------------	-----------------------------	-----------------------------

Expected Credit Loss

Within credit period
Less than 1 year
1 to 2 years
2 to 3 years
Over 3 years



100%

100%

Swati

B.G.K Infrastructure Developers Private Limited
Notes to financial statements for the year ended March 31, 2023

Provision for receivables

Less than 1 year
1 to 2 years
2 to 3 years
Over 3 years

(c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and liquidity requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate source of financing through financing from Companies within the group or others. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below provides the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

As at March 31, 2023	Less than 1 year (Rs.'Lakhs)	1 to 5 years (Rs.'Lakhs)	Total (Rs.'Lakhs)
Trade payables	3.66	0.00	3.66
Borrowings	100.00	0.00	100.00
Other current financial liabilities	55.13	0.00	55.13
As at March 31, 2022	Less than 1 year (Rs.'Lakhs)	1 to 5 years (Rs.'Lakhs)	Total (Rs.'Lakhs)
Trade payables	4.87	0.00	4.87
Borrowings	300.00	0.00	300.00
Other current financial liabilities	52.09	0.00	52.09

(d) Interest rate risk

Interest 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 obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

The following table provides a break up of Company's fixed and floating rate borrowings:

Particulars	As At 31 March, 2023 (Rs.'Lakhs)	As At 31 March, 2022 (Rs.'Lakhs)
Floating rate borrowings	0.00	0.00
Fixed rate borrowings	100.00	300.00
Total borrowings	100.00	300.00

11 Capital Management

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the Company and all other equity reserves. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.



Swati



A

B.G.K Infrastructure Developers Private Limited
Notes to financial statements for the year ended March 31, 2023

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	As At 31-Mar-23 (Rs.'Lakhs)	As At 31-Mar-22 (Rs.'Lakhs)
Loans and borrowings (net of cash and cash equivalents)	60.13	279.10
Net debt	60.13	279.10
Equity	1717.04	1602.05
Total capital	1717.04	1602.05
Capital and net debt	1777.17	1881.15
Gearing ratio (net debt ÷ capital and net debt)	3.38	14.84

	As At 31-Mar-23 (Rs.'Lakhs)	As At 31-Mar-22 (Rs.'Lakhs)
12 (a) Earning in Foreign Currency (on accrual basis)		
Service Income	0.00	0.00
(b) There is no expenditure incurred in Foreign Currency (on accrual basis) during the year	0.00	0.00
(c) There is no earning and payment of dividend in foreign currency during the year.	0.00	0.00

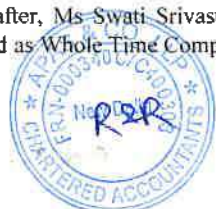
13 Earnings per share

		As At 31-Mar-23	As At 31-Mar-22
a) Basic Earnings Per Share			
Numerator for earnings per share			
Profit/ (loss) from continuing operations	(Rs.'Lakhs)	115.03	107.46
Profit / (loss) from discontinued operations [refer note 23(6)]	(Rs.'Lakhs)	-0.04	-0.09
Profit/ (loss) for the year from continuing and discontinued operations	(Rs.'Lakhs)	114.99	107.37
Denominator for earnings per share			
Weighted number of equity shares outstanding during the year	(Nos.)	1,39,72,300	1,39,72,300
Basic earnings per share (one equity share of ₹ 10 each)			
from continuing operations	(Rs.)	0.82	0.77
from discontinued operations	(Rs.)	(0.00)	(0.00)
from continuing and discontinued operations	(Rs.)	0.82	0.77
		As At 31-Mar-23	As At 31-Mar-22
b) Diluted Earnings per share			
Numerator for earnings per share			
Profit/ (loss) from continuing operations	(Rs.'Lakhs)	115.03	107.46
Profit / (loss) from discontinued operations [refer note 23(6)]	(Rs.'Lakhs)	-0.04	-0.09
Profit/ (loss) for the year from continuing and discontinued operations	(Rs.'Lakhs)	114.99	107.37
Denominator for earnings per share			
Weighted number of equity shares outstanding during the year	(Nos.)	1,39,72,300	1,39,72,300
Diluted earnings per share (one equity share of ₹ 10 each)			
from continuing operations	(Rs.)	0.82	0.77
from discontinued operations	(Rs.)	(0.00)	(0.00)
from continuing and discontinued operations	(Rs.)	0.82	0.77

Note: There are no instruments issued by the Company which have effect of dilution of basic earning per share.

14 The resignation of Whole Time Company Secretary of the Company

Ms. Neetika Gupta – the Company Secretary of the Company, having Membership Number: ACS – 44754 with the Institute of Company Secretaries of India, has resigned w.e.f. 31st March, 2022. Ms Akanksha Srivastava, having Membership Number: ACS - 42205 with the Institute of Company Secretaries of India, has filled the vacancy of Whole Time Company Secretary of the Company on 01-Oct-22 and resigned on 31-Jan-23. Thereafter, Ms Swati Srivastava, having Membership Number: ACS - 48654 with the Institute of Company Secretaries of India, has joined as Whole Time Company Secretary of the Company on 10-May-2023.



B.G.K Infrastructure Developers Private Limited
Notes to financial statements for the year ended March 31, 2023

15 Deferred Tax Assets (net) as on 31st March, 2023 is as follows:

	As At 31-Mar-23 (Rs.'Lakhs)	As At 31-Mar-22 (Rs.'Lakhs)
Deferred tax Asset/ (Liabilities)		
On account of difference in WDV of property, plant & equipment under IT Act	-155.47	-148.80
On account of difference in certain payments under Income Tax Act	2.05	1.95
On account of carried forward losses and unabsorbed depreciation	152.31	175.23
On account of IND AS Adjustments	5.73	6.00
	<u>4.62</u>	<u>34.38</u>

The deferred tax asset of ₹ 4.62 Lakhs (March 31, 2022: ₹ 34.38 Lakhs) has not been recognised since the probability that sufficient taxable profits will be available against which the deductible temporary differences can be utilised is not certain.

16 Additional disclosure / Regulatory Information as required by Notification no. GSR 207(E) dated

(i) Loan or advances granted to the promoters, directors and KMPs and the related parties:

No loan or advances in the nature of loans have been granted to the promoters, directors, key managerial persons and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:

- (a) repayable on demand or
- (b) without specifying any terms or period of repayment

(ii) No proceedings have been initiated or pending against the company for holding any benami property under benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(iii) Reconciliation of quarterly statement of current assets filed with banks or financial statements

The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets during any point of time of the year.

(iv) Willful Defaulter

No bank has declared the company as "willful defaulter".

(v) Relationship with Struck off Companies:

There are no transaction with the companies whose name is struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March 2023 and the year ended 31 March 2022.

(vi) Registration of charges or satisfaction with Registrar of

All applicable cases where registration of charges or satisfaction is required with Registrar of Companies have been done. No registration or satisfaction is pending at end of financial year 2022-2023.

(vii) Compliance with number of layers of companies

No layers of companies has been established beyond the limit prescribed as per above said section / rules.

(viii) Compliance with approved Scheme(s) of Arrangements

No scheme of arrangements has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

(ix) Utilisation of Borrowed funds and share premium:

Particulars	Description
No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;	No such transaction has taken place during the year



B.G.K Infrastructure Deevlopers Privatre Limited
Notes to financial statements for the year ended March 31, 2023

No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries	No such transaction has taken place during the year
--	---

(x) Undisclosed income

There is no such income which has not been disclosed in the books of accounts. No such income is surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961.

(xi) Details of Crypto Currency or Virtual Currency

Particulars	31-Mar-23	31-Mar-22
Profit or loss on transactions involving Crypto currency or Virtual Currency	No Such Transaction during the year	No Such Transaction during the year
Amount of currency held as at the reporting date	No Such Transaction during the year	No Such Transaction during the year
Deposits or advances from any person for the purpose of trading or investing in Crypto Currency / virtual currency	No Such Transaction during the year	No Such Transaction during the year

(xii) Utilization of Borrowings

The company does not have any loans or other borrowings from banks and financial institutions. However the company has received short term loans of from related party which have been used for the purpose for which it is obtained and outstanding loan as on March 31, 2023 is Rs.1,00,00,000/-.

(xiii) Corporate Social Responsibility Expenditure

The company does not fulfill the criteria as specified under section 135(1) of the Companies Act 2013 read with the companies (Corporate Social Responsibility Policies) Rules 2014. Therefore, the Company is not required to spent any amount on CSR activities and the disclosures in this respect are not applicable.

(xiii) Key Financial Ratios

Ratios	Numerator	Denominator	FY 22-23	FY 21-22	%age Change	Reason for Change
Current Ratio (in times)	Current Assets	Current Liabilities	0.71	0.37	92.82	Due to repayment of unsecured loan of ₹ 2 Cr. and receipt of Income Tax refund in the current year
Debt Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.06	0.19	(68.90)	Due to repayment of unsecured loan of ₹ 2 Cr. in the current year
Debt service coverage ratio (in times)	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest# & Lease Payments + Principal Repayments	0.91	0.30	202.12	Due to adjustment of Subsidy deposit of ₹ 297 Lakhs with bank borrowing during the previous year
Return on Net Worth (%age)	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	6.93	6.94	(0.15)	Insignificant reduction, hence, no comments
Inventory Turnover (in times)	Cost of goods sold	Average Inventory	NA	NA	NA	-



B.G.K Infrastructure Developers Private Limited
Notes to financial statements for the year ended March 31, 2023

Ratios	Numerator	Denominator	FY 22-23	FY 21-22	%age Change	Reason for Change
Debtors Turnover (in times)	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.85	6.39	(8.42)	Due to increase in sales and average trade receivables
Trade payables turnover (in times)	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA	NA	NA	-
Net capital turnover (in times)	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	(5.72)	(1.20)	376.30	Due to repayment of unsecured loan of ₹ 2 Cr. and receipt of Income Tax refund in the current year
Net Profit Margin (%age)	Net Profit	Net sales = Total sales - sales return	40.06	37.95	5.55	Increase in sales and profit in current year
Return on capital employed (%age)	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	7.41	8.31	(10.75)	Decrease in interest payments in current year and Increase in profit in previous year (significantly due to profit on sale of asset held for sale)
Return on Investment (Equity)	NA	NA	NA	NA	NA	-

17 Figures relating to 31st March 2022 has been regrouped / reclassified wherever necessary to make them comparable with current year figures.

18 The figures have been rounded off to nearest rupees in lakhs with upto two decimals.

19 Note No.1 to 23 form integral part of the balance sheet and statement of profit and loss.

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

As per our report of even date

For APAS & CO LLP
Chartered Accountants
ICAI Registration No.: 000340C/C400308

Rajeev Ranjan

Rajeev Ranjan
Partner
Membership No.: 535395
Place: New Delhi
Date: July 14, 2023



For and on behalf of Board of Directors

Maneesha Mansingka
Maneesha Mansingka
Director (DIN: 00031476)

Gaurav Jain
Gaurav Jain
Chief Financial Officer

Abhishek Singhanian
Abhishek Singhanian
Director (DIN: 00087844)

Swati Srivastava
Swati Srivastava
Company Secretary-M.No.:ACS-48654

